THE FINANCIAL POST
OF CANADA

The Canadian Newspaper for Investors

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EMPIRE WAR COUNCIL FORMED TO AID IN WINNING THE WAR WIDE APPROVAL OF MEASURE

Attitude of The Financial Post from Start of War Justified.

LLOYD GEORGE'S REASONS

He Defends Right of Overseas Dominions to a Voice in Imperial Councils—What THE POST Said on the Question in 1914.

The announcement of the formation of an Empire War Council by Premier Lloyd George is one of the first fruits of the change of Government which placed the dynamic Welshman in power. Lloyd George came to power with the support of the clear thinkers who realized that the only way to win the war was to forget tradition and precedent, to brush aside red tape, to decide quickly and aggressively and to force national organization in all phases. His plan to give the Overseas Dominions a voice in the "carrying on" of the war on these lines is an evidence of the consistency of his attitude.

The new policy makes for efficiency, as outlined by Lloyd George.

"The Empire War Council," he said, "will deal with all general questions affecting the war. The Prime Ministers or their representatives will be temporary members of the War Cabinet, and we propose to arrange that all matters of first-rate importance should be considered at a series of special meetings. Nothing affecting the Dominions, the conduct of the war or negotiations for peace will be excluded from its purview. There will, of course, be domestic questions which each part of the Empire must settle for itself—questions such as recruiting in the United Kingdom, or home legislation. Such domestic matters will be our only reservation, but we propose that everything else should be, so to speak, on the table."

If any justification is required for giving a voice in Imperial councils to the Overseas Governments, Lloyd George supplies it in the course of the interview in which he outlines this broad Imperial policy — an interview which undoubtedly will have historic value. He says:

"In these days we cannot hesitate, because we are breaking precedents. The Empire has thrown itself heart and soul into the war, and we should be failing in our duties if we did not take every possible step to see that its leaders get together from time to time. You do not suppose that we think that the overseas nations can raise and place in the field armies containing an enormous proportion of their best manhood and not want to have a say, and a real say, in determining the use to which they are to be put. That seems to us an impossible and undemocratic proposition. That is why one of the first acts of the new Government was to ask the overseas Premiers to come over, not to a formal Imperial conference, but to sit in executive Cabinet of the Empire. That is why we have arranged for a representative of India, which has rendered invaluable service to our common cause, to be present also."

And again he says:

"Things can never be the same after the war as before it. Five democracies, all parts of one empire, cannot shed their blood and treasure, with a heroism and disregard of cost which has been beyond all praise, without leaving memories of comradeship and great accomplishment which will never die. Of this I am certain. The peoples of the Empire will have found a unity in war such as never existed before—a unity not only in history, but of purpose. What practical change in Imperial organization that will mean I do not venture to predict. That it will involve some change is certain. I believe that all the statesmen of the Old Country and the Dominions who have spoken about it are unanimous on that point. The forthcoming war council, however, cannot deal with these fundamental post-war problems, but it may afford some insight into the form they may take."

THE POST'S Attitude.

Thus is vindication supplied to the few courageous publications and individuals who have maintained from the first the right of the colonies to representation in council. The FINANCIAL POST can quite safely claim to having been the first in the field with advocacy of this now popularly acclaimed idea. A few months after the war broke out, when the press of Canada was filled with more or less hysterical matter about the war and confident predictions of an early victory, The FINANCIAL POST predicted in bold, unequivocal terms, that:

1. The war would last for years.
2. A national Government would have to be formed.
3. That Canada would have to raise her offering of man-power to 250,000 (an unheard of figure then).
4. That Canada should have a voice in the conduct of the war.

The solitary voice of THE POST, raised amid the clamor of a united press which thought patriotism could only lie in blind faith and hysterical optimism, brought nothing but scoffing and abuse. A number of newspapers openly charged THE POST with disloyalty. The Montreal *Mail* attacked THE POST'S attitude in an abusive retort.

The first article in THE POST appeared on Oct. 17, 1914—when everyone was expecting the capture of Berlin before spring! The abuse which followed was accepted in good spirit by THE POST, though in a subsequent editorial (Oct. 24, 1914) regret was voiced that contemporaries had been "led into strange misapprehensions at the thought of Canada having some voice in the affairs of an Empire of which it is a part."

To-day the announcement of the formation of an Empire War Council is acclaimed everywhere. Not a dissentient voice will be raised. Men will probably wonder why it was not done long ago, it seems so fair, so logical, so entirely in accordance with the plans to win the war.

Thus again is the outspoken and foresighted policy of THE FINANCIAL POST justified.

THE IMPORTANCE OF IMMIGRATION TO CANADA

Prominent Canadian Bank Authority Expresses Strong Views as to the Necessity for Encouraging an Influx of Settlers After the War.

Discussing the post-bellum readjustment period with the FINANCIAL POST this week, one of Canada's leading financial authorities expressed the opinion that "immigration and salvation are synonymous words so far as Canada is concerned."

"For twenty years," he continued, "we have been wasting borrowed money like drunken sailors. In other words, not only have we mortgaged this country abroad to the extent of some $4,500,000,000, but we have failed to invest a very large proportion of that sum in productive industries. The result has been inflation and inflation, briefly, is the devil. It has brought the cost of living in this country to a point which may be compared to the Chinese wall in the way of keeping out immigration.

"Thrift is equally important," he said. "Through force of circumstances and from habit a very large percentage of our people are continuously living beyond their means."

Other thoughtful students of Canada's economic problems, interviewed by the POST spoke in a somewhat similar strain. "Immigration is the only thing that will save the country," said one. "We will have enormous interest obligations, and the demand for our foodstuffs and the products of our factories will have fallen away when the war is over. We must have people to till our soil and develop our resources. There must be greater production."

The extravagance of the people as shown by the heavy imports of luxuries, such as motor cars, silks and velvets was deplored. "We should work harder and eat less and save more," said a leading banker.

WALLACE QUARRIES FIRE.

Loss In Neighborhood of $200,000, Covered by Insurance.

The loss of the Wallace Sandstone Quarries, Limited, whose plant at Garson, Manitoba, was destroyed by fire on Monday night last, will be in the vicinity of $200,000, and is fully covered by insurance. The head office of the company is at Montreal, and William Lyall is president. In addition to the quarries at Garson, Man., the company also owns the famous Wallace, Nova Scotia, quarries. The company has been doing business since 1913, and is capitalized at $1,000,000. Last year it paid its bond interest, and THE POST understands will have something to the good. No dividend has been paid on the common stock yet, and none will be paid this year. The stock of the Wallace Sandstone Quarries, Limited, is held principally in Montreal and Winnipeg. It is an altogether separate institution from the Lyall Construction Company. Wm. Lyall is president of both concerns, but they have no corporate connection.

CANNING IN THE EAST.

Connors Bros. at St. John Now Preparing Beef.

Connors Bros., the St. John, N.B. canning firm, have recently undertaken the canning of beef which has not only aded to their production but has opened up a local market for live stock. It is pointed out, however, that at the present time most of the beef used is shipped from Ontario. The company has had a good year in the fish packing business with a heavy output of sardines. The capacity has been enlarged so that next year it is expected to handle 100 hogsheads of these fish daily.

CANADIAN CAR AFTER A BIG FRENCH ORDER

Vice President Butler in New York in Connection With Negotiations For 44,000 Freight Cars.

The Canadian Car and Foundry Company is now figuring on an order of 44,000 steel cars for the French Government. Vice President Butler went to New York on Thursday evening to take the matter up with the Morgans. These cars will cost, in the vicinity of $3,000, involving an expenditure of approximately $114,000,000. The tenders will be considered and probably awarded within a very short time. If Canada Car is successful in securing a portion of this order, its plants are assured of capacity business for many months.

It is quite likely that other matters in connection with the adjustment of the company's loss at Kingsland will also engage Mr. Butler's attention while he is on the other side.

When asked by THE FINANCIAL POST for confirmation of the New York report that the company would rebuild the plant at Kingsland, Mr. Butler stated that he knew nothing about the matter.

The POST'S information is that the company do not propose to rebuild the plant, as they have no further use for it, but it is possible that the Russians may require a fuse-loading plant, and may be making some proposition to the company to utilize the power plant which is standing intact.

Car common ranged from 32½ down to 28 last week, but showed more strength this week, selling at 30, on Wednesday. The preferred which closed at 63½ last week, sold as high as 65 on Wednesday but closed two points off at 63.

The American Bank Note Company, which has a plant at Ottawa, had one of the most prosperous years in its history in 1916. The annual report is expected to show about 12 per cent. on the common stock, compared with a little less than 12 per cent. in 1915. Of the $600,000 current liabilities shown in the 1915 report $400,000 were retired during 1916 and the remaining $200,000 will be retired in the near future leaving the company without floating indebtedness of any kind.

BUSINESS IS PREPARING FOR READJUSTMENTS

More Cautious Tendency as Regards Placing Future Orders.

PROSPERITY IS CONTINUED

Actual Conditions Show Little Change and Spending Power is Well Maintained—Bank Deposits in December.

While the actual conditions of the present as regards high-mark prosperity and activity in industries and in trade show little, if any, change, the general attitude towards the future is a reflection of the uncertainty indicated in the stock markets, which are, after all, only endeavoring to effect adjustments to prospective business conditions of the future. There is plenty of money in circulation, and the high earning power of the people continues as well as the upward tendency of prices—which has been only partially checked. At the same time, the recent slump in securities indicated so emphatically that peace adjustments might be expected to affect general conditions that there has developed a general trade attitude of hesitancy as to future commitments until events take a more definite trend. Deferred orders are being held up, not because there has been any marked change in consuming demand, but because dealers do not care to fill their shelves with goods at prices which may be subject to readjustment to lower levels.

In this situation we find the stock market as a buffer between business and conditions and performing a service which is seldom appreciated. At the present time, it is quite evidently proving a factor in working out a gradual adjustment from the unhealthy prosperity which was being generally enjoyed on this continent to conditions which the best business and economic authorities predict to follow the war. By this process we should be able to face the adjustments without suffering that dislocation to business which came with the outbreak of war. Then the stock market for a time failed to act as a regulator for the reason that war, being absolutely unforeseen, there was no opportunity to prepare for attendant consequences.

The Bank Statement.

Despite the holiday season and its heavy trade, which might have been expected to reflect upon the savings of the people, the December bank statement shows that savings deposits increased by $8,400,000, as compared with November, and were $124,000,000 higher than for December of 1915. Demand deposits showed a decline of $1,000,000, but were $34,500,000 higher than the previous year. Circulation increased by over $26,500,000. Declines in the Canadian call of $6,800,000 and in foreign call of $9,300,000, as compared with November, gave evidence of the effect of the curbing of stock market activity. Current loans were larger by $6,500,000 for the month and $44,800,000 for the year. Important changes are shown as follows:

DECEMBER BANK STATEMENT.

Assets.

	Dec., 1916	Change Month	Change Year
Specie ..	71,172,169—	11,391,699+	3,176,559
Notes ...	124,750,241+	5,907,349—	20,780,517
Gold	43,700,000+	400,000+	26,340,000
Call ab'd.	173,878,134—	9,372,255+	36,720,265
Can. Call	82,569,983—	6,825,387—	1,658,172
Current .	820,378,557+	6,586,610+	44,860,610
L'ns Ab'd	76,396,720+	309,350+	17,916,981
Total ...	1,948,044,258—	9,467,244+	210,052,014

Liabilities.

	Dec., 1916	Change Month	Change Year
Cir'latn .	148,785,287+	587,316+	26,585,705
Demand .	458,208,417—	1,069,037+	34,518,033
Savings .	845,006,717+	8,413,448+	124,016,450
Foreign .	162,860,612+	653,365+	28,210,429
Total ...	1,706,948,508—	9,266,412+	207,664,818

The Changing Conditions.

Opinion is increasing in the United States that following the war European competition in manufactured products will be keener than ever. There are indications that the change is already taking place as regards steel, and that it will continue to spread throughout the other industries. Munitions industries are the first to be affected, because on this side of the Atlantic wages and costs were raised under the influence of the foreign demand, in which price was a secondary consideration. Under these circumstances British and other European manufacturing facilities were rapidly expanded and reorganized. Reductions in costs followed. With the end of the war these enlarged facilities will be turned to the manufacture of normal products at very low costs. At present Canada is reaping the benefit of increased munitions orders as the result of cancellations in the States, but this abnormal business should not be taken as any indication of demand after the war. It remains to be seen to what extent Europe will be able to look after her own needs.

Reports from various parts of the country continue to indicate conditions which are generally very satisfactory. The following from the Maritimes is typical:

General business conditions throughout the Maritime Provinces continue satisfactory, money being in plentiful circulation and collections being fairly well met. The shipping business is quite active this winter, giving employment to a large number of laborers. The supply of labor, however, is well in advance of the demand. The foundations for the new government elevator and the development that is in progress at the C. P. R. terminals at St. John, are also furnishing some employment. There is general disappointment that with the urgent need of a dry dock the government should have been compelled to suspend operations at Courtenay Bay. The necessary arrangements are being made for an early resumption of this important work.

CANADIAN NORTHERN RESERVES NOTE ISSUES

$2,500,000 Secured on One and Two Year Loans In New York.

It is announced that the Canadian Northern Railway has met the first of its 1917 maturity obligations. Notes amounting to $2,500,000, due on Jan. 10th, were renewed in New York. The old issue was at 5 per cent. and the new issue at 6 per cent., the period being one and two years.

Other obligations, amounting to about $15,000,000, will fall due during the year. No definite information can as yet be obtained as to what steps will be taken to meet them.

With net profits of $203,983 compared with a previous record of $190,355, the Provincial Bank statement for the year ending December 31st indicates the most prosperous period in the history of the institution. At the same time a strong position as regards liquid assets has been maintained. A full review of the statement will be presented next week.

NO SETTLEMENT YET OF PAPER DIFFICULTIES

Manufacturers Are Becoming Impatient at the Delay.

VIEWS OF ONE OFFICIAL

Case of the Ontario Pulp and Paper Co., Owned by the Chicago Tribune, a Curious One.

The paper situation is still unchanged. The manufacturers are awaiting the decision of the Finance Minister, but it cannot be said that they are awaiting it patiently. Frankly, the situation is that they are highly indignant at what they term the "unwarranted interference of the Government in the situation."

"Why should the paper industry be singled out for Government control and dictation?" asked Alex. MacLaurin, vice-president of the St. Maurice Paper Co., Ltd., in an interview with THE FINANCIAL POST.

"They might just as well tell the farmer what price he is to get for his wheat or potatoes, or the coal operators what they shall charge for coal."

The Expected Price.

The impression among the paper manufacturers is that 2½ cents per pound will be fixed by the Minister as the maximum price that can be charged in Canada for news print.

"If this is done, Sir Thomas White will be striking a body blow at one of Canada's greatest industries. Millions of dollars will be kept out of Canada that would otherwise have come here," continued Mr. MacLaurin.

The market price of news print across the line to-day is $3.10 a hundred at the mill. This price was established by the International Paper Co. What the Canadian paper manufacturers fear is that just as soon as Sir Thomas White, on behalf of the Government fixes a price, the American publishers will be clamoring for similar action by their Government and with excellent prospects of succes. The price established in the United States would, of course, have to be met by the Canadian manufacturers to their great loss, as the United States takes 81 per cent. of the output of our mills and the Canadian market the other 19.

Of Interest to Shareholders.

The question is one of deep interest to the holders of Canadian paper securities, as the earnings of the various companies are bound to be

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UP TO THE GOVERNMENT SAYS SIR RODOLPHE FORGET

President of Quebec Railway Points Out That Decision in Quebec and Saguenay Case is Not a Judgment. —To Supreme Court.

The next move is up to the government, said Sir Rodolphe Forget, in commenting on the decision, or rather the declaration of Judge Cassels, re the price to be paid by the government for the Quebec, Montmorency and Charlevoix railway, the Quebec and Saguenay railway, and the Lotbiniere railway, the valuing of which was left to the Exchequer Court.

When seen by THE FINANCIAL POST on Thursday afternoon, Sir Rodolphe had just received the full text of Judge Cassels' remarks.

"It is not a judgment," said Sir Rodolphe.

"Judge Cassels says that he does not understand the situation, or has doubts as to the soundness of his understanding of it, and has suggested that the matter be referred to the Supreme Court, or the government asked to amend the statute.

Sir Rodolphe stated that the matter would not be taken to the Supreme Court, but would probably be taken up with the government direct. In the meantime he said, the people of the City of Quebec were paying their five cent pieces for riding on the cars, and the light and power companies were doing business as usual.

The St. John River Orchards, Ltd., has been incorporated under a New Brunswick charter, for the purpose of taking over and operating the orchard property on the St. John River at Brown's Flats, formerly held by the Board of Trade orchard committee. The applicants named in the charter are H. C. Schofield, W. S. Allison, W. E. Anderson, H. N. Stetson and Andrew Jack.

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Capital Paid up, $16,000,000. Reserve Fund, $16,000,000.
Undivided Profits, $1,414,423.
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INCORPORATED 1832

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RESERVE, - - 12,000,000
TOTAL ASSETS, - 100,000,000

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NEWS OF SECURITIES — Markets are Very Dull

STEEL STOCKS

Market Situation very dull—The Wilson Note and Apprehension As to Budget.

Indisposition to trading together with a general decline in steel securities have been features of the week. The market has been exceptionally quiet. President Wilson's Note to the Senate may have had something to do with both features but too much importance should not be placed on that influence. Otherwise conditions remain on much the same as before. The industrial situation continues feverish with no indication of a recession in prices or export demand, though the fact that a British firm has secured an American order has somewhat disturbed the peace of mind of the market. The market editor of Canadian Machinery says on the iron and steel situation:

Notwithstanding the somewhat unsettled conditions in business circles, the steel market shows no indication of weakness, and the outlook for this year is decidedly encouraging. The prevailing firmness in the market is due to a large extent to the sold-up condition of the mills where capacity output is expected for at least the greater part of this year. This has steadied the market at a time when under less favorable conditions a decline in prices would assuredly have taken place. The demand for steel for munitions is so heavy that Canadian mills cannot produce the required tonnage and United States mills have to supply the deficiency. As the output of the domestic mills is being almost entirely absorbed in the production of munitions, and wire rods and wire products for export, a comparatively small tonnage is available for domestic requirements.

The most important and interesting development locally, of recent date, is the announcement that a steel plant will be established at Ashbridge's Bay industrial district. It is proposed to install ten 6-ton Heroult electric furnaces which will add approximately 100,000 tons per annum to this country's steel supply. The entire output will be required for munitions for the duration of the war, after which time it will be utilized as a steel foundry. The decision to establish this plant is indicative of the urgent demand for steel, although it will not be in operation until July at the earliest. The above tonnage which is equivalent to an average of rather more than 8,300 tons a month is important even when compared with the estimated total production of 122,795 tons of steel for last December, which with the exception of one month, October, was the highest for the entire year of 1916. The plant will be exempted from taxation until the end of the war.

The pig-iron situation is causing considerable anxiety, owing to transportation difficulties, resulting in a shortage of coke. The shortage of cars and congestion of freight on the railways has resulted in a serious depletion of coke supplies at the furnaces, while the cold weather makes the situation more acute. The demand for basic iron for steel has exceeded the capacity of the furnaces and consequently considerable tonnages of basic iron are being imported from the States. Canadian furnaces are now producing basic pig-iron for steel exclusively and domestic foundry irons are therefore off the market. Prices on domestic foundry irons were withdrawn some time ago and are still entirely nominal. One of the furnaces at the Hamilton plant of the Steel Company of Canada was banked last week, owing to the shortage of coke, but it is now in blast again.

The proximity of the budget speech of the Minister of Finance, which is usually delivered early in February may be another important factor, more severe taxation of war profits would not be surprising though it might be discouraging to the investor.

DOMINION STEEL.

Continued declines to 65 have occurred in Dominion Steel this week on relatively small sales. Indeed the market in the stock has been exceptionally quiet. This may be in sympathy with the prevailing opinion expressed by the *Montreal Star* respecting efforts of Scotia interests to secure control.

"One of the views advanced in the street for believing that the proposal for bringing Dominion Iron and Scotia together, at least along the lines of the original intention, is not making satisfactory headway, is that leading iron interests have determined to entrench themselves so strongly that Scotia interests would be practically forced to submit to their terms.

"In consequence it is believed that Scotia would find it too expensive to swing the proposed deal by buying control of Iron by co-operating with the larger interests and securing the balance in the open market.

"The marked strength in Iron is attributed in part to the determination of large local interests not to let any cheap stock fall into the lap of the Scotia interests."

The stock sold at 65⅝ on Wednesday, the closing price last week being 66⅜. THE FINANCIAL POST has been informed that the proposition to merge with Nova Scotia Steel had never come before their board.

DOMINION STEEL FOUNDRIES.

Extension of business does not seem to have improved the market's liking for Dominion Steel Foundries common which has declined again to 152, a fall of nearly forty points in three weeks. There is nothing monotonous about holding this stock, for its fluctuations are quite remarkable.

NOVA SCOTIA STEEL.

According to recent reports the Nova Scotia Steel & Coal Company will manufacture 7,000 car axles for the Russian cars now being built at the shops of the Eastern Car Co. The company was unable to secure the axles in American markets and similar difficulty in securing 24,000 car wheels will probably necessitate their manufacture at New Glasgow.

Hopes for early dividends still continue, but large orders mean abnormal requirements for working capital, which can be obtained better by utilizing surplus earnings than by borrowing from the banks. The entire productive capacity is sold ahead for 1917. There will be ample use for new plant throughout the year should it be completed earlier than has been expected.

There has been a reaction in the common stock from 117 a week ago to 114. Trading in preferred has been almost non-existent and in common very quiet.

STEEL OF CANADA.

Steel of Canada has been even more quiet, and the prices even lower than in the case of Dominion Steel as low as 64¾. The company had to bank one of its furnaces for a few days on account of coke and coal shortage.

TRURO STEEL COMPANY.

The Truro Steel Company, which during the first two years of its existence on its present basis has had a rather hard time, is now making excellent progress and is showing handsome returns on its munitions contracts. The bond interest is being much more than earned and these securities now seem quite safe, indeed it will not take long to have a surplus sufficient to redeem them. It is understood that to do this is the aim of the company, and that they have no great aspirations for making earnings on the common stock, especially out of war business.

TEXTILES

Labor An Important Factor in Situation—The Wool Embargo—Securities Quiet.

As in most other stocks, textiles this week showed a tendency to ease off slightly, but this was evidently due to general conditions not connected with causes for which any of the individual textile stocks was responsible. Indeed, in the case of these textile trades the prevailing factors warrant an optimistic outlook, and we would refer the investor to the interviews FINANCIAL POST had with some of the leading officials of several of the mills, as reported elsewhere in this issue. The unanimous opinion, as expressed, is that the present market for output will continue firm for a long time, and that orders in hand or in certain prospect will keep the mills taxed to capacity. A disquieting element under some conditions is shown in the statement of F. G. Daniels, general manager of the Dominion Textile Company, that the salary increases made by the firm for the first nine months of the company's fiscal year amount to 24½ per cent. This is pretty much a universal condition among mechanics over the country, however, and other conditions, that are too well known to need mentioning, here, have combined to increase the purchasing power of the public to a point where the mills are able to cover all increases of cost of manufactured goods and retain the strong demand that has prevailed for the past year.

CANADIAN COTTONS.

The Canadian Cottons mills have found the labor shortage more acute, probably, than any other of the cotton concerns, owing to the location of their mills. For this reason they have been forced to cut off export business in order to look after Canadian trade. Even then they are far behind with deliveries.

Their year has proved a very successful one, and the company will be well able to look after regular dividends, 4 per cent. on common and 6 on the preferred. While the common has been quiet for the past couple of weeks there have been a number of sales of preferred at 78½, with a high of 82, which compares quite favorably with the record for the last month.

DOMINION TEXTILE.

As reported elsewhere in this issue in an interview with the general manager, the wages of this company have been increased nearly 25 per cent. in less than a year, a condition common to nearly every textile mill in England and the United States as well. Fortunately this is well covered in the price lists, and according to the best information, these will not have to be lowered for a long time to come. The labor scarcity is the most serious problem that faces the management, and half a dozen agents are scouring the country for operatives all the time. Arrangements are being made for a considerable extension of the plant after the war, and to those acquainted with the textile field in Canada there is every warrant for the optimism and courage shown by this firm in the extension movement. Not only is there difficulty, however, in securing the machinery, even on a long notice, but the price at which it is quoted at the present time would make it prohibitive and unwise as a capital investment. Prices must come down before any large purchases of equipment can be made by any Canadian mills.

After comparatively heavy trading last week between 80 and 82, the common was quiet this week, a few sales going through at 80½. Preferred was untouched.

MONTREAL COTTONS.

Montreal Cottons have decided upon an important change in manufacturing policy. The management feels that there have been too many different lines of goods and too many styles in each line to get the best results from the plant. Hereafter the firm will concentrate on fewer lines, principally staples, and confidence is expressed that the change will be advantageous all around. Arrangements are being made to enlarge the facilities which will increase the output this year. At present the mills are behind in deliveries and have orders on hand that will keep them busy for a long period. This decision to decrease the number of lines is a natural result of war conditions, though it will in this case be adopted in times of peace in the future, as well as the present. When the mills in Canada found that there was an enormously increased domestic demand they cut off a number of lines and concentrated their energies on production, and so the output was more than proportionately increased, and covered the Canadian field more thoroughly so far as these lines were concerned. The retail trade accepted the reductions in patterns and lines with equanimity, and so will have the chance to continue this attitude after the war.

It is expected that the company will pay the usual dividends of 7 per cent. on the preferred and 4 on the common for the year. A few sales were made of the preferred at 103, one point higher than had been recorded before this year.

PENMANS.

The impression that prevails in some quarters that the Penman factories are oversold for the whole year is not correct. Owing to the uncertainty of the raw material quotations, they have declined to quote prices on certain lines for the months of October, November and December, but they are not refusing any business for delivery up to that time. No definite information is available as to their earnings, but they have had a splendid year's business. The common stocks hold at 70, with considerable activity with preferred at 82.

PULP AND PAPER

Stocks in This Group Continue Inactive and Prices Ease Off Still Further.

The past week has been even more inactive in the paper group than its predecessor, which was characterized as the dullest since the movement in these securities began early last fall. The general tendency of prices has been downward and for the seven active stocks in the group a net loss of 7⅝ points for the week has been registered. This compares with a net loss of 4½ points in the previous week and is slowly carrying these stocks back towards the position to which they were driven in the December break. There is obviously no buying of paper stocks at the moment, doubtless due to the fear that governmental action in the price question will have a prejudicial effect on profits.

	Close Jan. 18	Close Jan. 25	Change
Laurentide	190	185	—5
Riordon	122	122¾	+ ¾
Spanish Com. ...	16½	16	— ½
Do., Pref.	55	57½	+2½
Wayagamack	95	92	—3
Brompton	61	59	—2
North American ..	8¾	8¾	— ⅜
Net change for seven stocks........			—7⅝

Despatches from Washington during the week suggested that Sir Thomas White had already, by order-in-council, set a price on newsprint and prohibited the export of paper to over 80 per cent. of a mill's capacity. This report was officially denied by Sir Thomas, who stated that no such order had yet been passed and that the matter had not gone past the draft stage. The fact that officers of the Federal Trade Commission went to Ottawa on Thursday to discuss the paper situation with the Canadian Government and proceded from there to Chicago to be present at a joint conference of Canadian and American paper manufacturers and newspaper publishers indicates that the whole question is still unsettled and that Sir Thomas White may find it necessary to modify his views on account of the international aspect of the affair.

The Canadian paper market is quiet at present. Many paper firms have been engaged in taking their annual inventories and the sales end of the business has been inactive.

New York reports an easing in various paper makes. This has been ascribed to various causes. One manufacturer sees in it only the usual post-holiday conditions. Another regards it as due in some measure to peace talk which has made buyers cautious. Still another finds jobbers overloaded with goods and inclined to unload at reductions. Newsprint has shared in this weakness, though with advertising keeping up well, conditions are expected to regain their former strength within a short time.

SPANISH RIVER.

Both the common and preferred shares of the Spanish River Company are in a most inactive condition. Sales of the common for the week were very small, at practically unchanged prices, while the preferred was not dealt in at all on the Montreal exchange.

ABITIBI.

Along with the first dividend cheque to preferred shareholders of the Abitibi Power & Paper Company, the announcement was made that the annual meeting of the company would be held on February 12.

RIORDON.

Very little trading is being done in Riordon shares, but the stock is holding its price perhaps better than any other paper stocks. It was selling this week in small lots between 122½ and 123. Greenshields & Co. say of this stock in their latest bulletin: "Riordon Pulp & Paper earnings continue on an enormous scale. The company has strengthened its position as to the distribution of its product by the purchase of the Ticonderoga Paper Company of New York. Riordon specializes in sulphite pulp, bleached and unbleached, the rise in market value of which has been greater than that of any other important wood product. Sulphite prices will not be maintained at these levels for ever, but the company is reaping such profits to-day as to place it in a remarkable position to withstand any future situation. Many of our clients who purchased the stock when we made the original issue last summer as $58 per share still hold, although the stock has sold as high as 150 and is now quoted at 120. They should be able to rest assured that their stock will always have an investment value well above what they paid for it."

LAURENTIDE.

The earnings of Laurentide continue on a very satisfactory basis. The company are finding it hard to get cars to ship their product, but in spite of this drawback, they are maintaining their financial position. The stock has been hovering around 190 since the first of the year. Laurentide, like the other mills, will be adversely affected if the Finance Minister deprives them of the opportunity to get the market price for their product.

WAYAGAMACK.

At a meeting of the directors of the Wayagamack Pulp & Paper Co., held on Monday, the vacancies on the board were filled by the election of the following well-known figures in the financial and commercial world: Sir William Price, Quebec; Alex. McLaren, Buckingham; G. H. Duggan, Alex. Pringle and Hugh Mackay, Montreal, the latter having been appointed to succeed his father. The other directors are J. N. Greenshields, K.C.; C. R. Whitehead, vice-president; J. W. Pyke and Henning Hapin. In spite of the splendid financial statement presented at the annual meeting of the company, reference to which was made in THE POST last week, there has been little activity in the stock. 100 shares were traded in on Wednesday at 93.

BROMPTON.

THE FINANCIAL POST understands that the Brompton Co. has recently entered into a number of very profitable new contracts, and has big earning prospects. This company is fortunate in owning its own timber and pulp limits, and dominates the situation along the St. Francis river. They also have the advantage of having a diversified product. In spite of the obvious advantages, there has been very little demand for the stock recently. The price remains steady, around 59.

ST. MAURICE PAPER.

The new paper mill of the St. Maurice Paper Co. is expected to be ready for operation within a few weeks. It will have a capacity of 100 tons a day. The company have been manufacturing ground wood pulp for several years, but have now extended their activities to include paper and sulphite. One of the sulphite digesters will be ready for operation very shortly, but the new plant will not be operating at its maximum capacity until March. "We may not go into the paper business at all," said Mr. MacGaurin, to THE FINANCIAL POST. "If the Government decides that paper must be sold at 2½ cents a pound, we will probably continue to sell pulp and sulphite. There will be a great deal more profit in it."

THE FINANCIAL POST was informed that one paper manufacturer who has to buy all his pulp would actually lose money if he had to sell paper at 2½ cents and buy his pulp at the present price of $45 a ton.

ELECTRIC RAILWAYS

Many Unsettling Factors Which Affect the Earnings of Different Companies.

While the general conditions as regards street railway companies have been showing improvement, there are certain adverse influences which are offsetting the increasing traffic, many of the companies finding local difficulties which are more or less difficult to contend with. The improvement in traffic is more or less limited owing to the war conditions and these are felt more severely in Western Canadian cities than in the east. Then there are increasing operating expenses as the result of the rising scale of wages, higher cost of motive power, materials, etc. In Western cities there is the further interference with earnings on account of the jitney competition which is particularly serious in Vancouver and Winnipeg. Toronto and Montreal still have their franchise problems to deal with and these promise to act as a drag on the securities of the companies concerned until the air is definitely cleared. Companies which are developing power for industrial purposes as well as for their own operations are getting the benefit of the activity on war supplies and on the great bulk of domestic products for ordinary consumption and this is having a favorable effect on earnings.

Trading in the electric railway securities has been generally dull throughout the week in sympathy with the general situation, although there were a couple of bright spots noted.

DULUTH-SUPERIOR.

Trading in Duluth at 50 towards the end of the week presented one of the few bright spots in a generally drab market. There was a fair volume of sales. The price referred to compares with transactions at 43 a couple of weeks ago. The advance is connected with reports that the annual statement, the figures in connection with which should be made public shortly, will make a remarkably good showing with about 6¼ per cent. indicated on the common stock outstanding.

Gross earnings for the second week in January amounted to $28,720, as against $23,333 for the corresponding week in 1916, an increase of $5,386, or 23.1 per cent. For the month to date the earnings are $58,473, compared with $46,619, an increase of $11,854 or 25.4 per cent.

LONDON AND PORT STANLEY.

The London and Port Stanley Railway Board, at a meeting of the shareholders Monday, decided to recommend to the council that all mortgages against the London and Port Stanley Railway be closed at once. The idea behind the move is to get control absolutely of the railway, cutting out all shareholders, who might in future have some claims against the railway. London has 3,837 shares of stock on which it elects directors, and another issue of 1,887 shares. Private owners have probably 2,000 shares, while the Grand Trunk Railway owns about 1,500 shares. The board decided to ask the London Railway Commission to give 30-cent fares on Sundays during the summer, instead of 40 cents, as has been the charge.

TWIN CITY.

The Twin City company's gross earnings for the first week in January amounted to $199,314, compared with $180,385 for the corresponding period last year, an increase of $18,929, or 10.49 per cent.

DETROIT UNITED.

Compared with the generally quiet situation, there has been moderate activity in Detroit United during the week with the price showing the effect of the tendency towards lower levels. The transactions were from 125 down to 124 which compares with 127 at the opening of the year. Earnings continue on a satisfactory basis. The preferred around 82 is practically unchanged from the year's opening.

Of the increase of $12,500,000 in the capital stock to be authorized at the annual meeting next month, officials of the company say that $2,500,000 will be offered in the present year to stockholders at par. This would be in the ratio of one share of the new stock to each five of the present stock and on the basis of the present price of Detroit United stock, rights would be worth between 4½ to 5. It is probable that announcement of the right to subscribe to the new stock will be made within a short time after the annual meeting.

BARCELONA.

In the mid-week trading Barcelona sold down to 12½ compared with 12-13¼ last week, and a fractionally better price at the opening of the year. The easing-off appears to be the result of the general tendency of the markets rather than to any change in the conditions actually affecting the company's operations. However, so long as the war lasts the situation will be more or less unsettled throughout Europe.

BRAZILIAN.

The bulk of the trading in Brazilian early this week was around 45, but some improvement was noted later with transactions as high as 46. Generally speaking the declaration of the dividend seems to have caused no more than a temporary flurry. The real factor in the position of the stock is exchange, and in this connection it is difficult to forecast what the developments may be. Both officials of the companies and banking authorities are very reluctant about expressing opinions, but an improvement is hoped for.

MONTREAL TRAMWAYS.

There has been little trading in the securities of the Montreal Tramways Company recently and the price of 180, at which sales took place last week, is the only indication of the market. The future of this company, of course, depends upon the outcome of the negotiations with the city regarding the extension of the franchise; in this connection there have been no new developments recently.

PORTO RICO.

Porto Rico attracted considerable attention last week, although the trading was not in great volume. Transactions started at 35 and the price worked up to 36¾. There have been no sales this week, offers of 35 failing to bring out sellers. The company's year ended December 31st and the movement was probably a reflection of the indications of the forthcoming financial statement.

QUEBEC RAILWAY.

As a result of the decision of the Exchequer court in the Quebec and Saguenay case, there was a sharp decline in the market for Quebec railway, with transactions shading from 26 to 21 on heavy sales. This compared with a high of 34 on the previous day, prior to the announcement. A statement of Sir Rodolphe Forget regarding the matter will be found in another column. The president of the company regards the statement of Judge Cassels as a check, but does not appear to be very pessimistic.

TORONTO RAILWAY.

With the approach of the annual meeting of the Toronto Railway Company there is a marked interest being taken in the affairs of that company and some trading in the stock which has moved up to 83 from about 77 last week. This interest does not only appear to be due to the prospects of a good report—which is expected to show a considerable surplus over dividend requirements—but reflects the evident intention of Montreal interests to endeavor to increase their influence on the board. There has always been more or less dissatisfaction on the part of the Eastern shareholders regarding the manner of the conduct of the company, and this has been particularly felt with regard to the relations between the management and the City of Toronto, it evidently being felt that the negotiations could have been handled to the better interests of the company. It is understood that Frank Ross, of Quebec, will be a likely candidate for the vacancy on the board created by the withdrawal of W. D. Matthews, of Toronto. However, this change is not directly connected with the effort to secure proxies in which certain Montreal interests are active. There are indications that the annual meeting may, therefore, bring some interesting developments.

The November returns for the Toronto Railway Company and associated companies, show comparatively small change from October, the net being $437,309 and $437,623, respectively, for the two months. There was an increase of about $4,400 in the gross, but this was absorbed by operating expenses. Compared with November, 1915, there was an increase in the gross of $60,716, but operating expenses were higher by $77,137, making a decrease in the net of $16,421. Comparative figures for the eleven months follow:—

1916	Gross	Expenses	Net
January	$906,250	$472,292	$434,057
February	846,256	459,539	386,717
March	910,969	477,031	433,938
April	883,209	444,212	438,997
May	903,924	446,050	457,874
June	884,491	436,635	447,856
July	867,789	436,735	431,054
August	889,241	462,179	427,062
September	913,525	452,979	460,556
October	907,460	469,837	437,623
November	911,829	474,520	437,309

Winnipeg Electric.

The earnings of the Winnipeg Electric Railway Company for November show a heavy decline. The gross at $282,899 is $40,126 less than for the same month of 1915, while the net at $101,632 is lower by $33,326, or 24.9 per cent. This decline has the effect of reducing the increase in the net for the eleven months of the year to 9,770, the total being $1,076,758. Comparative figures follow:—

Net	1916	1915	Change	%
January ...	$108,475	$136,476—	$ 28,001	20.5
February ..	108,250	120,093—	11,843	9.5
March	111,900	106,159+	5,741	5.4
April	111,035	87,520+	23,515	26.9
May	102,277	86,750+	16,527	19.0
June	87,571	84,645+	2,926	3.4
July	74,587	79,553—	4,966	6.2
August	85,935	68,677+	17,258	25.1
Sept.	87,853	76,726+	11,127	14.6
Oct.	96,243	104,970—	8,727	8.4
Nov.	101,632	134,958—	33,326	24.9

Jitney competition continues to seriously affect the company's earnings. In this connection the complaint is made by the board:—

> "The jitney upon our public highways, operating in competition to the street car system, has been allowed now for over two years to carry on a freebooting business in direct violation of the franchise given the street car company by the city. Is this evidence that the citizens of Winnipeg have kept faith with capital, the capital which we are all so eager to influence toward our city and Western country?

Sales of the stock have recently been at 79-80 against 81 last week which would indicate that the decline in the earnings referred to has had some effect.

MILLING

Weaker Tendency of Wheat Has Little Effect—Manufacturers Deny Charges.

The wheat market has shown a slight weakening since the beginning of the week but this has had no effect upon the milled stock. At present there is very little milling being done. It is not yet known to what extent the new British regulations will affect the milling of flour in Canada and pending a final decision on this matter there is little movement. The Canadian market has been fairly well supplied and the general uncertainty of conditions is not encouraging large increase in the holdings of milled grain. There is however a general undertone of firmness in all the milling stocks. The improbability of an early peace, and the known scarcity of the available supply of grain being more than sufficient to compensate for the present dull tone to the milling market.

The accusation heard in many quarters that a lower grade of wheat than usual is being extensively used in the manufacture of flour this year was most emphatically denied by Frank E. Ray secretary of the Lake of the Woods Milling Company at a recent enquiry in Winnipeg. John W. Horn, Winnipeg manager of the Western Canada Flour mills corroborated this statement, stating that the quality of wheat used was in every way up to the usual standard of past years. They were equally emphatic in their denial that any combination existed between the different milling interests to keep a uniform price quotation. If such uniformity existed they claimed it was due to the fact that the millers paid the same price for their wheat and used the same system in setting their prices. It was also stated that they considered 20 cents a barrel a fair milling profit, though this profit often dropped as low as 10 cents per barrel. In answer to enquiries both these witnesses stated that they knew of no steps that might tend to reduce he cost of flour.

LAKE OF THE WOODS.

A sale of a 25 share lot of Lake of the Woods common at 129½ early in the week is the only transaction which has been recorded in this stock this year. A week or so ago 126 was being bid against 130 asked. There have been no recent dealings in the preferred. Conditions in the milling trade are reported as showing little change and are comparatively quiet. The developments in connection with the British situation are being awaited with interest.

MAPLE LEAF.

Maple Leaf preferred showed a development of strength this week when it moved up to 98⅝ on a small transaction, which compares with 92½ at the close of last week. The common at 100½ to 101½ shows a shading off from previous transactions on Saturday last at 102.

OGILVIE.

There has been some trading in Ogilvie common this week at 141 to 142½ as compared with a single transaction at 142 last week. The preferred has shown some improvement at 115, compared with 114 last week and 113 the previous week.

MINING STOCKS

Business Moderate With Slight Tendency to Drive Prices Downward in Most Stocks.

The volume of business on the Standard Mining Exchange this week has been about the same as last week. The day's trading ran between 150,000 and 160,000 shares, which is just a moderate amount for this exchange. Prices, up to the close on Thursday night, indicated some slight weakness and the majority of the stocks on the list were off a few points from the levels of a week ago. There were, however, several exceptions, so that it cannot be said that the market generally was weaker.

Bar silver was quoted yesterday on the New York market at 77 cents. This is an increase of 1⅛ cents over the price a week ago. The improvement has been steady throughout the week, quotations going from 75⅞ last Friday to 76½ on Saturday and holding at this figure until yesterday, when another half cent was tacked to the price.

A Boston despatch to the Wall Street Journal estimates allied requirements in copper this year at 500,000,000 lbs. The last big purchase of 448,000,000 lbs., to be delivered in equal monthly portions through the first six months of the year, will care for demands up to the first of July. Copper men conversant with the situation state that as soon as the British loan has been arranged, it will be followed not only by the purchase of a big tonnage of copper but by some new steel orders in large quantities as well.

BOSTON CREEK.

Boston Creek shares occupied the centre of the stage during the forepart of the week, but latterly proved rather quiet. Prices, however, have been steadily on the upgrade. Oddly enough, the close was one point higher each day of the week. Last Saturday, it closed at 130; Monday, 131; Tuesday, 132; Wednesday, 133, and Thursday, 134.

THOMPSON-KRIST.

There was a good deal of activity in the shares of the Thompson-Krist Company, one of the newer Porcupine issues, during the week, and quite a large number of shares changed hands. The stock closed last Friday at 27½, and after selling down to 26½ on Saturday, made steady advances from then on. It reached 30½ on Thursday and closed at 29¾ that day.

CROWN RESERVE.

The annual report of the Crown Reserve Mining Company, made public at the annual meeting on Wednesday, did not have much influence either one way or the other on the stock. If anything, it proved a bear factor, as the shares which had been selling at 44 last week, dropped to 42 on the day following the meeting. So far as the Crown Reserve mine itself is concerned, the report indicated that the ore was becoming exhausted, but the company's large interest in Porcupine Crown and its efforts to secure other paying properties before the old silver mine at Cobalt peters out, are favorable conditions.

NEWRAY.

Absolutely no fluctuations occurred in the price of Newray during the week. All transactions went through at $1.40 a share. The annual meeting of the shareholders of the company was held during the week and a vote was taken on the proposal to increase the capital stock by the addition of 500,000 new shares, bring the total up to 1,500,000 shares. The proposition was accepted unanimously by the meeting. It was thereupon announced that an underwriting syndicate of United States and Canadian capitalists had volunteered to take all or a part of the new issue at $1 a share. The directors decided that not more than 200,000 shares should be disposed of at present. The $200,000 thus provided would be ample to provide for the enlargement of the mill and the continuation of development work. In all probability the mill will be enlarged to 500 tons capacity.

McINTYRE.

McIntyre shares have been holding their ground satisfactorily all week. The declaration of the five per cent. dividend last Friday afternoon seemed to have no prejudicial effect on the stock, and on Monday some shares were sold at $2. For the most part, however, quotations have ranged between 195 and 198, at which the stock was about on a par with prices last week.

A report on operations for the quarter ending December 31 was forthcoming at the week-end. It showed the largest profits in the history of the company. Operating profits from McIntyre and custom ore combined totalled $208,390, against $136,084 for the preceding quarter, an increase of $72,000. Nearly 8,500 more tons of ore were treated than in the previous period and the value of the ore handled was better.

APEX.

The stock of the Apex Mining Company, following the decision of the directors made last Friday not to sell the remaining 200,000 shares of treasury stock to the Montreal and Toronto syndicate, which made an offer for them, has been slightly weaker. It closed at 11¾ on Friday of last week, sold up to 12 on Saturday, held there on Monday and Tuesday and eased off to 11 on Thursday. Transactions were small. Decision not to sell the treasury stock was arrived at because of the fact that sufficient money was put in the treasury at the time of the recent reorganization to carry out the present development programme. A report from the mine manager says that the plant has been put in good running order, the shaft pumped out and arrangements made for sinking. Diamond drilling is in progress.

SURF INLET.

The annual meeting of the Surf Inlet Gold Mines Ltd. was held last week in the Rogers Building, Vancouver, at which very satisfactory expressions of opinion were heard as to the condition of the company. The work is largely in the development stage and machinery is now being installed. At the meeting an announcement was made to the effect that the company had secured from Hon. Wm. Pugsley, M.P., the adjoining three groups of claims on Princess Royal Island. Mr. Pugsley, however, is to retain a forty per cent. interest. The election of officers resulted as follows: Col. J. Duff-Stuart, President; E. A. Cleveland, vice-president; G. B. Hawkins, secretary and A. H. Wallbridge, treasurer. All of these, with the addition of the names of Jonathan Rogers and Dr. W. B. Burnett, form the board of directors. The company is a million dollar corporation, and is connected with the Tonapah-Belmont corporation, a Montana concern, which has acquired large interests in this province.

GRANBY.

The Prince Rupert *Journal* reports that the Granby Company is preparing for a very active season's work, not only at the Anyox mining centre but also at its other camps adjacent to Prince Rupert. A steam auxiliary plant is being installed and rushed to completion. It is reported that the plant will be installed and in operation within sixty days. When in running order this plant will avoid the loss of time caused each year by the scarcity of water for power.

The Granby Company is laboring under some disadvantages just now in the production of copper in Anyox. The winter weather cut off the supply of water and in consequence the company aims at putting in oil burning machinery. All the machinery has not arrived, owing to the difficulty in getting delivery at times like these. In consequence there are now working only two of the four furnaces. The product is being shipped also as matte instead of blister copper. It goes to the Kootenays to be further refined. The company is expecting some motors to supplement the power available there.

December copper production totalled 5,219,022 lbs., which was less by 931,979 lbs. than the November output.

BUFFALO.

Shares of the Buffalo Mines fluctuated rather violently during the week, jumping from 140 to 170, reacting to 160 and then selling up again to 175. An interim report on developments at the mine appeared on Monday and this proved of such a favorable nature that the stock responded by making the advance already noted. When the tenth annual report was made last May, ore reserves were estimated at 18,000 tons at 18-ounce silver per ton. At October 31 these reserves had been increased to 45,705 tons, averaging 25 ounces of silver to the ton, and 8,000 tons of 18-ounce silver, making a total of 1,288,375 ounces. Computed on the present price of silver this would equal a gross value of approximately a million dollars. The development of this ore in the past six months has been in territory not heretofore considered promising.

The report further states that the entire milling and metallurgical practice has been changed. The new plant is expected to be ready for operation by the first of March. It will handle 450 to 500 tons per day of 6-oz. sands and 100 tons of ore from the mine, averaging 25 ounces per ton, which have an estimated silver content of 5,000 to 5,500 ounces. The product from this tonnage would warrant the payment of dividends very soon after the plant is running smoothly.

TRANSPORTATION

Earnings Continue to Show Increases—Rising Cost of Fuel and Materials.

There has been little change in the market for Canadian railway securities during the week and transactions have not been heavy. Taking the half year of the Canadian Pacific to December 31st and the year of the Grand Trunk it is safe to assume that the net earnings will show a substantial improvement over the corresponding periods of 1915. However, increased operating costs have been an important factor in reducing the profits in proportion to earnings. This year the earnings continue to show substantial increases over a year ago, the third week of January being ahead of the corresponding period a year ago by over $500,000. Following are comparative figures:

(For week ending January 21st)

	1917.	1916.	Change.
C.P.R.	$2,215,000	$1,910,000	+$305,000
G.T.R. .. .	1,026,907	980,914	+ 45,993
C.N.R. .. .	658,200	504,000	+ 154,200
	$3,900,107	$3,394,914	+$505,193

The railroads are finding that costs of operation are advancing rapidly, while rates remain stationary. Labor, materials, fuel, etc., show large increases. As regards fuel the railways will have to face during 1917 an increase in the price of coal of nearly one hundred per cent. For much of the materials which the systems use in their mechanical departments the increases run from 80 to 938 per cent. more than before the war. Considering these facts it will be seen that the talked of prosperity of the railroads must be considered with conservatism because the transportation systems, like manufacturing concerns, must advance their prices in accordance with conditions and costs.

CANADIAN PACIFIC.

The decline of C. P. R. common stock to below 160 increased the income yield to over 6 per cent. at which level it can be considered as a very desirable investment. Investment buying has been strong in the recent trading which took the price up to 162-163 but even at such figures the proposition is a very attractive one. In connection with the decline it is pointed out that the British Government has now placed a tax of approximately 10 per cent on the dividend in an endeavor to persuade holders in England to sell their stock or deposit it

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

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REST - - $13,500,000

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JOHN AIRD - - - General Manager
H. V. F. JONES - - - Ass't General Manager

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Paid-up Capital - $23,903,960
Reserve Fund - - $20,000,000
Deposits - - - - $787,696,280

Foreign Banking Business of every kind transacted

Bills Collected.
Bills Bought and Sold.
Drafts Issued.
Telegraphic Transfers.
Letters of Credit.
Commercial Credits.
Shipowners' Freights and Disbursements.

Foreign Branch Office and Shipping Branch:
8, FINCH LANE,
LONDON, E.C.

SIR EDWARD H. HOLDEN, Bart., Chairman

UNION BANK OF CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital ....$ 5,000,000
Reserve 3,400,000
Total Assets ....over 100,000,000

John Galt ....President
H. B. Shaw .... General Manager

This Bank, having over 315 Branches in Canada extending from Halifax to Prince Rupert, offers excellent facilities for the transaction of every description of banking business.

Travellers' Cheques and Letters of Credit issued payable all over the world

Collections made in all parts of the Dominion, and returns promptly remitted at lowest rates of exchange.

Attention is particularly drawn to the advantages offered by the Foreign Exchange Department of our London (England) Office, and Merchants and Manufacturers are invited to avail themselves of the Commercial Information Bureau established at that Branch.

CORRESPONDENCE SOLICITED

THE MOLSONS BANK

Incorporated by Act of Parliament 1855

Paid-Up Capital - - $4,000,000
Reserve Fund - - - 4,800,000

HEAD OFFICE, MONTREAL

BOARD OF DIRECTORS

Wm. Molson MacPherson, President.
S. H. Ewing, Vice-President.
Geo. E. Drummond F. W. Molson
W. A. Black Wm. M. Birks
E. J. Chamberlin
EDWARD C. PRATT, General Manager

NEWS OF SECURITIES

(Continued from page 3.)

with the Government. This resulted in a considerable offering of stock from English sources at a time when the New York market was dull, and the price naturally fell off. This movement found further emphasis in the tendency of American railroad stock to decline under the influence of the report of cancellation of munition contracts even though the same conditions did not apply in Canada. It may be pointed out that intrinsically the stock was never worth more than it is to-day, earnings having made new records in recent months.

Gross earnings for the week ending January 21, amounted to $2,215,000 compared with $1,910,000 for the corresponding week in 1916, an increase of $305,000, or 15.9 per cent. Comparative figures for the three weeks in January follow:

	1917.	1916.	Increase.	%
Jan. 7...	$2,238,000	$1,874,000	$364,000	19.4
Jan. 14..	2,417,000	1,863,000	554,000	29.8
Jan. 21..	2,215,000	1,910,000	305,000	15.9

The opinion is heard from those who are talking higher prices for Canadian Pacific that there should be some favorable treatment for the shareholders after the war. The theory is that heavy traffic will continue and that with the economies which have been effected there should be an important improvement in the net earnings.

CANADIAN NORTHERN.

Earnings of the Canadian Northern are making a satisfactory showing, and if they continue as at present the outlook is that the current year will show that the deficit of about a quarter million indicated in the last annual report has been overcome. When this stage is reached and the company is in a position to carry itself, the problem of the future of the system may be solved without the Government having to shoulder the responsibility of operation, although it is altogether likely that some further assistance will have to be given.

Notes of the company for $2,500,000 fell due on the 10th of January in New York, and these were renewed. The old issue was for one year at 5 per cent. and the new one is on a basis of one and two years at 6 per cent. Between this and the end of the year there will be further obligations to be met, totalling about $15,000,000. As yet the company has nothing definite to say about the plans regarding these obligations, but it is stated that arrangements are being considered to meet them in due course.

For the week ending January 21, the gross earnings amounted to $658,200, compared with $504,000 for the corresponding week in 1916, an increase of $154,200 or 30.6 per cent. This increase shows a falling off as compared with the week previous, when the gain was 37.8 per cent. From July 1, to date, the earnings were $23,534,500, an increase over the corresponding period last year of $4,668,500. Following are the earnings for the first three weeks in January compared with the same period last year:

	1917.	1916.	Increase.	%
Jan. 7	$598,700	$541,100	$ 57,600	10.7
Jan. 14 ..	646,100	469,300	176,800	37.8
Jan. 21 ...	658,200	504,000	154,200	30.6

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway in the third week in January show a slight falling off from the previous week of the month. The total earnings for the week amounted to $1,026,907, compared with $980,914 for the corresponding week in 1916, an increase of $45,993, or 4.7 per cent. Comparative figures follow:

	1917.	1916.	Increase.	%
Jan. 7 ...	$1,012,906	$880,702	$132,204	15.02
Jan. 14 ..	1,072,915	966,301	106,614	11.03
Jan. 21 ..	1,026,907	980,914	45,993	4.7

For the week ending December 31, the gross earnings of the Grand Trunk Pacific railway amounted to £32,944, compared with £33,888 for the corresponding week in 1915, a decrease of £944.

Grand Trunk securities have shown no fluctuation in London this week, the first preferred at 68, the second at 26½ and the ordinary at 10¼.

CANADA STEAMSHIPS.

While no definite statement is available as to the earnings of Canada Steamships, THE FINANCIAL POST hears that dividend arrears of 7 per cent. will be paid. A meeting has been called for February 1, at which the directors will probably reach a decision about the deferred dividends. The market remains firm for the preferred at 93, but the demand has been light.

In a circular dealing with the prospect of payment of back dividends on the preferred stock of the Canada Steamships Lines, McCuaig Bros. & Co. thus refer to the 1916 earnings as assuring early action:

"Net earnings for 1916 are estimated at $4,000,000, and net profits at $2,500,000, as compared with $662,151 for 1915. The complete figures will be ready in February when the directors will undoutedly take up the question of payment of back dividends on the preferred stock, which will then amount to 12¼ per cent. That these accumulated dividends will be paid off in the near future would seem to be assured."

Regarding the lake transportation situation, the monthly letter of the Canadian Bank of Commerce has the following: "In the case of lake shipping there is little doubt but that there will be for some years to come abundant employment for a larger tonnage than is at present in service. British registered steel tonnage on the Great Lakes is now 218,019 tons, as compared with 286,121 tons at the close of the season of 1915. The tonnage of the new vessels added to the lake service during the year amounted to 12,218, and that of the vessels purchased from the United States and added to British registry to 15,349 tons. The decline is due to the transfer to ocean service of 50 vessels, aggregating 95,669 tons.

OTHER STOCKS

Market has been Very Dull With a General Tendency to Settle to Slightly Lower Levels.

The market for practically all stocks has shown a dragging tendency throughout the week, with very little to break the dull monotony. There was practically no evidence of initiative on the part of traders. Peace and war stocks developed little to distinguish one group from the other and the whole attitude was one of listless waiting. Price tendencies, when they did occasionally make themselves evident, indicated a shading off in values. It is evident that developments are being awaited which will give some indication of the strength or weakness of the market position. The Wilson notes only add to the perplexities of the situation while there is also some apprehension as to what the White budget may contain with regard to the taxation of industrial profits. The conditions which have prevailed on the Canadian exchanges are similar to those which have been experienced in New York and it is evident that there will be little to stir Toronto or Montreal until Wall Street expresses some more definite opinion of the trend of events than has been noted for some days. The volume of sales has been very small.

Ames-Holden.

The Ames-Holden Co., reports a very satisfactory volume of domestic business. War orders have been completed. No immediate resumption of dividends is contemplated. A few shares have changed hands recently at 21 for the common and 59 for the preferred, the latter being 21 points off from the high mark of last year.

Brandram-Henderson.

The annual statement of Brandram Henderson, for the year ending November 30 last, reviewed in this issue, indicates a large increase in profits during the year, the surplus available after paying bond interest and preferred dividends and making liberal allowance for contingencies amounting to 13.8 per cent. of the common stock outstanding, while the total surplus now amounts to about 36 per cent. The directors' report a marked improvement in business in practically every department, but point out that the profits on the munitions work have been, cut to the minimum. The paint trade has been directly and seriously affected by the abnormal cost of raw material and in this connection some radical readjustments are to be looked for in the future.

Burt Companies.

Reports regarding the operations of the Burt Companies are to the effect that business continues on a very satisfactory basis, and that the statements to be presented to the shareholders for the last year will show substantial improvement in position and earnings. There were some sales of Pacific Burt mid-week at 28¼ and of the preferred at 80½, neither price showing any change in the market. There has been no recent trading in F. N. Burt.

Canada Cement.

The 20 per cent. advance recently announced by Canada Cement, Ltd., has not been in force long enough to give any real indication of how the company's sales will be affected by the increase. The winter is the slack season for the cement business, and a better indication of the effect of the raise will be had in the spring. The company is relying on an aggressive and constructive advertising campaign to counteract the effects of the advance.

The common stock has shown a decline in the past three weeks from 69⅛ to 63½, 15 shares having sold at the latter figure on Wednesday morning.

Canadian Converters.

During the early part of the week there was some trading in Canadian Converters common at 40, the transactions being the first in this security this year. The range last year was 34 to 46. Reports indicate that the company's business continues on a very satisfactory basis, although the trade is displaying more caution towards the future since the recent unsettling of the markets by the talk of peace.

Canada Forgings.

The directors of Canada Foundry and Forgings, Limited, met on Wednesday afternoon and declared the quarterly dividend of 3 per cent. and the 3 per cent. bonus. THE FINANCIAL POST is in a position to state that the earnings of the company would have justified the payment of a considerably higher bonus. The decision of the directors not to increase it was no doubt somewhat influenced by the generally cautious attitude of munitions companies and the somewhat depressed condition of the market. The company has very extensive munition contracts still on hand, while one of the plants has a year's business ahead in regular lines. The high point touched by the stock in the first week of the year was 205, and the closing figure last week was 196. On Wednesday, the day of the directors' meeting, 35 shares changed owners at 194, two points down.

Canadian Locomotive.

The market for Canadian Locomotive common has recently remained steady at 57 as for the past couple of weeks. The range for the year has been narrow—57 to 58—and the fact that the general settling process had not affected the stock to a greater extent would seem to indicate that the business secured in the way of locomotive orders places the company on a more solid basis than those concerns which have been depending largely upon manufacture of munitions. There were sales of the preferred this week at 89, indicating an advance of one point over last week.

Canada Bread.

The Canada Bread securities have felt the general dullness of the situation during the week. There has been no trading recently in the common, and a sale of one share of the preferred on Thursday at 86½ was the only transaction in two weeks—price unchanged. The conditions affecting the company's business show practically no change, and it is not expected that there will be any considerable improvement in the near future. There is a somewhat weaker tendency in the flour market on account of a decline in wheat, but this is not sufficient to affect the situation.

City Dairy.

The dullness which has been noted in City Dairy securities for a considerable time, and particularly since the dividend on the preferred stock was passed, continues. There have been no transactions this year, and nothing to indicate the market. The conditions affecting the company's business continue much as they have been, the difficulties in connection with securing supplies being such that first costs have risen to a level that seriously affects profits, while small dealers show a reluctance to make the advances which the situation warrants.

Canadian Rubber.

At a special meeting of the shareholders of the Canadian Consolidated Rubber Co., to be held on February 14, they will be asked to vote on a resolution authorizing the creation of a first and refunding mortgage bond issue of $8,000,000. The new issue, will provide for the liquidating of various obligations including bank loans, and a $2,500,000 issue of debentures that will fall due towards the end of next year. The company would also have loans and an issue of $2,500,000 debentures that will fall due about the same time. The proposed new issue of bonds will also give the company much needed working capital, as a tremendous business is being done. There have been no sales of their stock this year. The last quotation was at 91.

Canadian Western Gas.

Earnings of the Canadian Western Natural Gas, Light, Heat and Power Company for the month of November show a slight decrease as compared with the same month of 1915, the total of $87,496 standing against $88,207. Comparative figures for the eleven months follow:—

	1914.	1915.	1916.
January	$131,398	$130,286	$152,540
February	135,328	115,574	132,282
March	100,681	96,833	95,689
April	80,166	57,823	65,237
May	61,880	49,622	56,712
June	46,919	41,792	45,556
July	36,936	32,555	30,209
August	35,640	29,341	33,577
September	49,399	44,263	41,892
October	71,429	55,997	69,174
November	101,039	88,207	87,496

Canadian Western Lumber.

Returns for the Canadian Western Lumber Company for November make a very satisfactory showing, especially when compared with the same month of 1915. The number of feet sold increased from 6,113,186 to 10,053,212, and the price realized from $81,516 to $159,502, the latter being nearly 100 per cent. The fact that the volume of business was only slightly lower than for October, compared with a heavy falling off as between the same months of 1915, is significant of the improvement in demand in the West. The sales for the eleven months amounted to $1,843,103, which is an increase of $623,272, or about 30 per cent. Comparative figures follow:—

	1915		1916	
	Feet Sold	Price Realized	Feet Sold	Price Realized
Jan. ...	2,550,156	$ 30,047	3,675,657	$ 46,575
Feb. ...	5,703,808	73,092	6,321,334	85,513
Mar. ...	9,860,589	125,095	9,653,150	138,457
April ..	7,181,783	98,880	13,312,420	205,746
May ...	9,299,519	116,534	12,091,212	187,932
June ..	7,861,267	99,497	11,364,393	166,199
July ..	7,892,620	98,005	13,140,673	190,635
Aug. ...	12,624,768	165,001	16,408,017	252,919
Sept. ..	14,380,594	182,071	13,073,587	208,878
Oct. ...	11,434,406	150,088	11,527,893	191,862
Nov. ..	6,113,186	81,516	10,053,212	159,502

Dominion Canners.

There were a few transactions in Dominion Canners common during the early part of the week at 19½, which is half a point below the recent market, and compares with a high of 22 during 1916. Conditions as regards the company's business are practically unchanged. Prices rule high, but the smallness of the pack is a factor which works strongly against increasing profits.

Dominion Bridge.

The decline in Dominion Bridge continues this time in sympathy with the general market movement. In November it stood at 207 from which point the decline has continued ever since to 170 at the beginning of the year to 160 a week later and 147 in the past week. Trading in this security has been exceptionally heavy running up from very small sales for the previous month to nearly 3,000 sales a day recently. It now assumes almost as much importance as Dominion Steel.

General Electric.

Canadian General Electric has been one of the bright spots in the trading of the past few days, especially when it is classed with the munitions stocks. The price for the common went as high as 115½, which compares with 113 at the opening of the year. This improvement would seem to indicate that the company is not to a very serious extent dependent upon munitions orders, and that it is in a favorable position with regard to peace adjustments. There has been no trading in the preferred recently. Company officials are optimistic, and state that the stock is intrinsically worth much above the present market.

Consumers' Gas.

There was a fair volume of trading this week in Consumers' Gas between 164½ and 165, the prices being on a par with previous transactions this year. The company reports continued satisfactory operations.

International Petroleum.

Internationl Petroleum has displayed steady strength since the opening of the year and sales this week above $14.00, represent an advance of over $3.00 since December. There are indications of a quiet effort on the part of insiders to increase their holdings of the stock. The future of the company largely depends upon the consumption of fuel oil in this country and in this connection it is noted that there is an increasing demand for this form of fuel in manufacturing establishments. The high price of coal is an important factor in this connection. In the American market the price of fuel oil has doubled in the last few weeks, the present price of 8c a gallon at Pennslyvania refineries comparing with less than 4c about two months ago. The market is also being enlarged by the increased consumption by railroad and steamship companies which are using many oil burning furnaces for the creation of motor power.

Imperial Oil.

Despite the big expansion in the petroleum refining capacity in 1916, the gasoline situation threatens to become far more acute than it has been in the past. Never have such high prices prevailed for gasoline in mid-winter as now and, with the normal increasing demand with the active automobiling season, it is predicted that there will be advances in prices to much higher levels. The opinion is expressed that an advance equal to that of last summer is easily to be expected during the coming season. It is pointed out that refiners are having the same experience as last winter in that they are not able to store up supplies against the increased consumption during the summer.

Imperial Tobacco.

At the annual meeting of the British American Tobacco Company held recently, a resolution to provide for the distribution of certain ordinary shares of the Imperial Tobacco Company of Canada, as a bonus to the ordinary shareholders of the British American Tobacco Company was withdrawn. It was explained that the withdrawal was a temporary one owing to certain difficutlies which made it inadvisable to distribute the bonus without alteration of the existing articles of association. An amendment to the articles of association will be submitted to the shareholders at a further meeting.

Lantic Sugar.

THE FINANCIAL POST is informed that Lantic sugar is more than holding its own, and is, in fact, making fair profits, in spite of the fact that January is a quiet month in the sugar trade as the wholesalers are taking stock in many cases. No transactions have been reported in the stock here recently. A New York curb quotation was 50 for the preferred and 20 for the common.

Lyall Construction.

The various contracts of Lyall Construction Co., are proceeding satisfactorily but the stock has suffered along with the rest of the list. There has been very little trading in it, the last sale having been made at 65 unchanged.

Macdonald.

The fact that the common stock of the A. MacDonald Company is to be struck from the official list of the Montreal stock exchange on April 1 owing to the technical reason that the company has not complied with the regulation of the governors, is being mentioned in Montreal as an indication that an effort is being made to harass the holders of the common stock. No doubt, however, the directors will in due time make adequate explanation. It will be remembered that at the annual meeting last year the directors made a proposal for the reduction of the common stock by two-thirds, but this was voted down, there being 30,000 shares of the common outstanding, against 17,668 of the preferred—both with equal voting power. The matter of capital reorganization, probably with some new suggestion for a reduction of the common stock, is expected to come up again at the next annual meeting to be held in March. There were some sales this week at 11½-12, compared with 13-13½ last week, the decline indicating that the announcement was not without effect.

Montreal Locomotive.

THE FINANCIAL POST is informed that the $175,000,000 order which it was reported had been received by the Montreal Locomotive Co., existed only in the imagination of the reporter who wrote the story. The company has successfully completed various large orders for the British Munitions Board, and has extensive munition orders now under way, but none of them reached anything like the figure described. During the six months which ended December 30, the American Locomotive Co., of which the Montreal Locomotive is a subsidiary, owed over (eleven) 11 per cent. In a statement issued at New York, it was stated that the company now had unfilled orders on its books amounting to $75,000,000.

Murray-Kay.

Reports indicate a much increased business for this firm in their Toronto branch, under the new management, who have stirred up interest among a wider circle of buyers than has been the case in the past in this store that catered more to the "high class" trade than that of all classes that frequent a department store. The Montreal store, Ogilvie's, has also a good record, showing much increased turnover and net earnings.

The project of the big new store on Yonge Street has not progressed any for several months, so far as FINANCIAL POST can learn. In answer to an inquiry, the president, Mr. D. K. Ridout, stated that he had as yet offered none of the new bonds for sale; in fact, they were "hanging fire" as yet.

Mackay.

Mackay common received considerable attention this week with prices ranging from 77¾ to 88½. There is a

North American Life Solid as the Continent

NORTH AMERICAN LIFE
ASSURANCE CO.

HEAD OFFICE . . . . . . TORONTO CANADA

ANNOUNCES to its Policyholders and the Public that 1916 was another highly successful year as evidenced by the following outstanding figures:

Policies Issued and Revived	$10,189,539.00
Total Assurance in Force	59,685,112.00
Cash Income	2,912,514.00
Assets	16,442,713.47
Net Surplus	2,657,105.64
Profits Paid Policyholders	262,684.26
Total Payments to Policyholders	1,591,000.33

IN every important feature of the business marked increases were made.

Over One and a Half Million Dollars was paid to Policyholders or their beneficiaries during the past year.

PAYMENTS to policyholders over the past ten years amount to $10,481,146.00. Ask for a copy of the Annual Report.

W. KERR GEORGE,
Lt.-Col. D. McCRAE,
Vice-Presidents.

"Solid as the Continent"

L. GOLDMAN,
President.

continuation of the reports that the company will present an unusually good statement and that the increase of the dividend from 5 per cent. to 6 per cent. will be considered. The preferred has been steady at 68.

Montreal Water and Power.

On the ground that the time was not opportune to make a valuation of the assets of the Montreal Water and Power Company, which would indicate an intention of purchasing, the Montreal Board of Control has practically decided to defer action in connection with the furtherance of the negotiations between the city and the company for the time being at least.

National Steel Car.

The common stock of the National Steel Car Company came in for some attention mid-week, with sales 17 to 17½, as compared with 18½ to 19 last week. The preferred sold at 68, as against 70-72 last week and 73 at the first of the year. The indications are that the securities of this company are suffering in the general tendency of the market to adjust stocks in the munitions group to prospective future conditions.

National Breweries.

According to the statement presented at the annual meeting of National Breweries, Ltd., profits for the year were $445,000, a decline for the year of $6,000.

The redemption of $80,000 bonds under the four per cent. sinking fund, which went into operation in 1915, reduced interest charges for the year $5,000 to $113,000; depreciation allowance was just under $80,000, and preferred dividends took the usual sum of $194,250; there remained a balance of $57,800 against $59,797 a year ago.

Rogers.

The securities of the Wm. A. Rogers Company have attracted little trading attention recently, there having been no transactions in the common this year. The asked price has dropped from 82 to 78, but 75 is the best bid made. In the preferred there has been only one transaction recently, that being about a week or so ago at 92.

Russell Motor.

Russell Motor has played little part in the recent trading, having been affected by the dullness of the general situation, and especially in evidence with regard to the munitions stocks. Mid-week the common sold at 80 in a small transaction, which compared with a range of 72-80 in the previous week. The preferred brought 108 on Tuesday, as compared with 105 at the close of the previous week, and a range this year of 100-114½. There has been nothing new to report recently regarding the company's operations.

Toronto Electric.

An interesting development in the relations between the Toronto Electric Light Company and the city with regard to the latter's poles on the streets is indicated by the announcement that the Toronto and Niagara Power Company—which is in affiliation with the Toronto Electric Light Company—has a dominion charter which contains provisions entitling the company to erect poles and wires in the streets of any municipality for the transmission of electric power. In view of the order of the Privy council the city has the technical right to order the Toronto Electric Light Company to take down its poles but it would probably have to give immediate permission to the Toronto and Niagara Power Company to put up other poles subject to the usual regulations. If this is the case there would be an overwhelming argument against the wanton destruction of useful property which would result from the enforcement of the Privy council order.

Southern Canada Power.

The gross earnings of Southern Canada Power for the year ending Sept. 30, 1916, were $148,429, against $120,377, in 1915, an increase of $28,052, or 23 per cent. The net earnings were $81,528, compared with $61,535, an increase of $19,893, or 32 per cent. It is stated that further increases had been made in the first quarter of the current fiscal year.

St. Denis Theatre.

The shareholders of the St. Denis Theatre Company, at a meeting held at Montreal this week, authorized an issue of $350,000, 7 per cent., 10-year bonds to provide working capital and to retire certain obligations, including a $133,000 mortgage, which will fall due shortly. $150,000 of the bonds will be placed in escrow to retire the mortgage, and the remaining $200,000 will be sold to shareholders, working out in the proportion of about 30 per cent. of their holdings. As soon as these arrangements have been completed, the company intends to put on musical comedy instead of moving pictures.

Steel and Radiation.

Some interest has been aroused this week in the preferred stock of Steel and Radiation, Limited, by the appearance of an advertisement offering a block of the stock at 65. This is the first indication that there has been for some time of what holders are asking. The stock is dealt in on the New York curb, but it has been some time since there were any transactions. There has been little trading in the common since the flurry on the strength of early war orders, which took the price up around 70, but recent bids at 25 have failed to bring offers. The company is working to capacity on shell orders and the output has been greatly developed during recent months.

Tuckett Tobacco.

There have been transactions this week in Tuckett Tobacco common at 22½, but no trading in the preferred. The price quoted for the common shows no change from the previous week.

Western Canada Power.

Holders of 5 per cent. first mortgage bonds of the Western Canada Power Co., meet on February 1 at Montreal to authorize an exchange of these bonds, together with the coupon due on January 1, 1916, and all subsequent coupons, for 5 per cent. first mortgage bonds of the Western Power Company par for par, and 10-year 7 per cent. debentures of the Western Power for the face amount of the coupons of the bonds to be exchanged, coupons to be those due January 1 and July 1, 1916 and 1917.

The meeting will also restrain any bondholders from instituting suit or proceedings against the Western Canada Power Company to foreclose the security or enforce the deed of trust of the old bonds.

West Kootenay Power.

The annual report of the West Kootenay Light and Power Company has just been issued by the managing director, Lorne A. Campbell. The statement shows a net increase of $41,000 over the previous year ending Aug. 31, after writing off $25,000 for plant depreciation. Owing to increased power consumption of the Consolidated, the power company was obliged to increase its generating capacity at No. 2 power house, Upper Bonnington. During the year the company erected a 20,000 h.p. distributing station at Smelter and made other betterments which will, it is stated, result in greater earning power during the present year. The revenue producing load for the past year was 11,152 h.p., against 8,000 h.p. during the year previous.

SHIPBUILDING ACTIVITY.

Outlook for Sustained Demand With High Ocean Rates.

That the prevailing high ocean freight rates will continue until after the war and for a period of at least several years during which there will be a gradual decline, is the opinion of D. Johnson, president of the large ship brokerage concern of Hannevid & Johnsen, who has just returned to New York from Norway. Reporting this opinion he points out that European estimates were recently made on the new world's tonnage for 1916 at a total of 2,000,000 tons, while estimates of the losses during the same period ran as high as 3,000,000 tons. Mr. Johnsen reports that the outlook is extremely optimistic regarding the shipbuilding industry and has every reason to believe that the world's ship-yards will be kept busy for at least three years.

COMPANY NOT LIABLE.

Goods Burned in Shed Were Not Covered by Policy.

Judge Coatsworth, of Toronto, has dismissed with costs the suit of Mary E. Tracey against the Merchants' Fire Insurance Co. for $496. A shed in the rear of the plaintiff's house on Jarvis street, Toronto, was burned in January last and household goods stored there were destroyed. The defendants claimed that these were not covered by the policy they had issued on the household goods, but should have been covered by a separate policy.

Stock Movements of the Week

A Record of the High and Low Marks of the Week in Canadian Listed Securities.

							Range 1917 to Jan. 18	
Week ending Jan. 25, 1917.	Ask.	Bid.	High	Low	Last	Sales	High	Low
Banks—								
Commerce	187	185	185¼	185	185¼	13	185¼	184½
Dominion	...	211	212	212	212	48	212	...
Hochelaga	145	...	145	145	145	5	145	145
Imperial	200½	197	198	197½	197½	23	200½	199½
Merchants	170	...	170	170	170	124	170	170
Molsons	180	...	181	179½	180	14	181	180
Montreal	234	233	234	232½	234	56	234	232
Nova Scotia	255	...	255	255	255	5	255	...
Royal	214	211½	213½	212	212	96	214	212¼
Standard	...	214½	214½	214½	214½	3	215	214½
Toronto	...	190	190	190	190	8	190	190
Transportation—								
Barcelona	12¾	12½	13	12½	12½	490	17	13¼
Brazilian Trac.	45¾	45¼	46	44¾	45½	687	47¾	43½
Canada Steam., com.	34¼	33½	36	33½	33½	893	38	34
Do., pref.	92½	92	93	91¾	92⅛	500	93½	91
Can. Pacific	162½	161½	163½	162	162	70	164¼	158
Detroit United	125	124½	125	122½	122½	256	128	125
Civic Invest. Pr.	82	...	82	81½	81¾	962	82	81½
Duluth-Sup., com.	50¼	50	50½	47½	50	510	46½	43
Illinois Traction, pref.	...	88	88	88	88	10	88½	88
Porto Rico, com.	...	38¼	36½	36½	36½	10	36¾	35
Que. Ry., Light, Heat	22	21⅝	34	21	21½	7,257	35½	30
Toronto Ry.	82½	81½	83	81	83	275	82	76
Twin City, com.	95	94½	95	94¼	94⅜	354	95	93
Winnipeg	80	78	80	78	80	67	81	81
Telegraph,			145	145	145	10	146	144
Light and Power—			165	164½	164½	50	165¼	165
Bell Telephone	147	...						
Consumers Gas	165	164½						
Mackay, com.	88½	87½	88½	88	88	397	89½	83½
Do., pref.	68½	67½	68	68	68	51	68	65½
Shaw. W. & Power	128	...	128¾	127	128	276	130½	129
Industrials—								
Ames-Holden, com.	21	...	21	21	21	113	23¾	21
Canada Bread, pref.	90	86	86½	86½	86½	1	86½	86½
Can. Cement, com.	63½	62¾	63¾	62½	63	313	69⅞	62¾
Do., pref.	95	93½	95	94½	94½	110	95¾	94
Can. Car, com.	29	28	31	25¼	30	975	46½	26
Do., pref.	63	62½	67	59	62	2,156	89	60
Can. Converters	42	40	40	40	40	100	40	40
Can. Cottons, pref.	...	78½	82	78	78½	44	80	78
Can. Forgings, com.	200	190	195	190	195	210	205	190
Can. Loco., com.	58	57	57	57	57	85	58	57
Do., pref.	90	88	89	89	89	10	86½	86½
Can. Gen. Elec., com.	114	113	115½	112½	114½	176	113¼	111
Dom. Bridge, com.	...	147	153	147	147	2,629	170	153
Dom. Canners, com.	20	18	19½	19½	19½	10	19½	19½
Dom. Iron, Steel, pref.	...	93½	93½	93½	93½	125	95	92
Dom. Steel Corp.	66	65¾	67⅜	65	65¾	3,240	71½	65¾
Dom. Coal, pref.	...	93½	96½	93½	93½	30	...	...
Dom. Textile, com.	82	80½	80½	80½	80½	25	82	80
Lake of the Woods	...	129½	129½	129½	129½	25	129½	...
Lyall Cons.	65	...	65	64	64	60	69	65
Laurentide	187	...	185	185	185	201	195	190
A. Macdonald, com.	...	12	13½	11½	11½	146	13½	12
Maple Leaf, com.	101	100	102	100½	101	250	103	96
Do., pref.	95¾	95	98⅝	92½	95⅝	25	97½	94½
Mon. Cottons, pref.	...	103	103	103	103	10	102	102
Mon. Knitting, pref.	81	...	81	80	80	12	...	...
N.S. Steel, com.	117	115	117	114	114	300	128	112½
Do., pref.	...	112	112	112	112	5	112	112
Ogilvie Flour, com.	143	142	142¼	141	142¼	240	142	142
Do., pref.	...	115	115	115	115	20	114	113
Pacific-Burt, com.	29	28	28¼	28¼	28¼	25	29	28
Do., pref.	...	79	80½	80½	80½	5	80½	...
Penmans, com.	...	70	70	70	70	95	71	70
Do., pref.	...	82	82	82	82	10	85	83
Price Bros.	120	...	120	120	120	10	120	...
Riordon Pulp, com.	123	120	123	122½	123	95	120	120
Russell Motor, com.	82	78	80	80	80	10	92	72
Do., pref.	109	105	108	105	108	29	115	100
Sherwin-Williams, pref.	...	100	100	100	100	10	100	98
Span. River Pulp, com.	16	...	16	16	16	78	19	15
Do., pref.	57	...	57½	57½	57½	10	59¼	55
Steel Co. of Can., com.	65¼	65	67⅛	64¾	65	2,090	71½	63½
Do., pref.	97	96½	96½	95½	96½	224	100½	95½
Toronto Paper	73¼	72	74	72	72	55	79	72
Tuckett Tobacco, com.	...	22½	22½	22½	22½	35	22¼	...
Wayagamack	93	...	93	92	92	210	95	94

REVIEW OF MARKET FOR MINING SHARES

			Week ending Jan. 25			Close Jan. 25	
Name.	Capital Authorised	Capital Issued	High	Low	Sales	Asked	Bid
COBALTS—							
Adanac	$ 2,500,000	$2,250,000	$ .24	.20	2,700	...	...
Bailey	5,000,000	4,250,000	.07	.05	25,200	.06	.05
Beaver Cons.	2,000,000	2,000,000	.40	.35	3,900	.37	.36½
Buffalo Mines	1,000,000	1,000,000	1.75	1.40	4,775	1.75	1.56
Cham.-Ferland	2,500,000	2,312,850	.15½	.15	9,527	.15½	.15¼
Coniagas	4,000,000	4,000,000	4.55	4.40	779	4.40	...
Crown Reserve	2,000,000	1,999,957	.44	.39¾	7,650	.44	.41
Foster	1,000,000	915,588	...	...	....	...	...
Gifford	250,000	......	.05	.04¾	17,900	.04⅞	.04¾
Great Northern	1,500,000	1,500,000	.14¼	.10½	31,620	.14½	.14¼
Hargreaves	2,500,000	2,500,000	.18¼	.15	50,000	.16¼	.16
Hudson Bay	25,000	7,761	.70	.70	15	.70	...
Kerr Lake	3,000,000	3,000,000	4.70	4.45	240	.04¾	.04½
La Rose	7,500,000	7,493,135	.55	.53	5,700	...	.53
McKin.-Dar.-Sav.	2,000,000	2,247,692	.51	.50	2,400	.52	.50
Nipissing	6,000,000	6,000,000	8.40	8.35	700	8.50	8.20
Ophir	685,000	......	.11	.08⅞	18,100	.09½	.09
Peterson Lake	3,000,000	2,401,820	.12	.11	27,100	.12	.11½
Right of Way	2,000	1,685,500	.05¼	.05¼	1,000	.05½	.05
Seneca-Superior	500,000	478,884	.03	.02½	4,800	.02½	.02¼
Temiskaming	2,500,000	2,500,000	.61½	.57½	8,960	.60	.59½
Trethewey	2,000,000	1,000,000	.19	.16	7,000	.19	...
Wettlaufer	1,500,000	1,416,590	.07	.07	1,000	.08	.06½
PORCUPINES—							
Apex	2,000,000	1,300,000	.12½	.11	25,800	.11¼	.11
Dome Cons.	2,500,000	1,250,000	.11	.11	500	.11	.08
Dome Extension	3,000,000	2,200,000	.28	.27	11,600	.28	.27½
Dome Lake	2,000,000	1,227,017	.61	.39	36,065	.44	.42
Dome Mines	5,000,000	4,000,000	21.50	21.50	25	...	.21
Foley-O'Brien	3,000,000	2,500,000	.70	.70	100	...	.70
Hollinger	3,000,000	3,000,000	6.90	6.70	2,333	6.85	6.75
Jupiter	2,000,000	1,867,786	.33	.31½	24,008	.32½	.31½
McIntyre	3,000,000	2,999,995	1.99	1.95	24,850	1.95	1.94
McIntyre Extension	2,500,000	2,000,000	.61	.59	1,725	.61	.59½
Porcupine Crown	2,000,000	2,000,000	.79	.70	17,650	.72	.70
Porcupine Imperial	2,000,000	1,409,200	.04⅞	.04¼	29,400	.04¾	.04½
Vipond	1,500,000	900,000	.45	.41½	13,400	.43	.41½
Preston E. Dome	3,000,000	2,000,000	.06½	.05¾	60,150	.06½	.06¼
Schumacher	2,000,000	......	.69	.65	2,100	.69	.66
Teck-Hughes	2,000,000	2,000,000	.82	.75	4,800	.84	.81
West Dome Cons.	3,000,000	2,000,100	.30½	.28	27,000	.28¾	.28½
MISCELLANEOUS—							
Con. Min. & Smelt.	10,000,000	[illegible]	.33	.32	437	.32½	.31¾

UNLISTED STOCKS.

Furnished by A. J. Pattison, Jr., & Co., Toronto, Jan. 24, 1917:

Quotations—	Bid.	Ask.
Abitibi Power, com.	73.00	80.00
Do., pref.	88.00	94.00
Arena Bonds (Toronto)	....	95.00
Atlantic Sugar, com.	10.00	15.00
Belding, Paul, pref.	81.00	.....
Do., bonds	80.00	97.00
Canadian Furniture, pref.	....	50.00
Canadian Machinery 6's	71.00	80.00
Do., pref.	40.00	.....
Canadian Marconi	1.35	2.50
Canadian Mortgage	91.00	97.00
Canadian Oil, com.	34.00	.....
Do., pref.	70.00	.....
Canadian Westinghouse	145.00	.....
Continental Life	20.00	26.00
Crown Life	80.00	.....
Dom. Pwr. & Trans., com.	60.00	66.00
Do., pref.	95.00	.....
Dominion Mfg., pref.	....	60.00
Dom. Perm. Loan	68.00	.....
Dunlop Tire, pref.	92.00	97.00
Dom. Steel Fdy., pref.	88.00	95.00
Frontenac Brew., 6% bds.	....	85.00
Home Bank	65.00	.....
International Milling, pref.	90.00	100.00
Imperial Oil	305.00	.....
Loews Theatre, com.	70.00	.....
Do., pref.	82.00	.....
London Loan & Savings	95.00	117.00
Do., pref.	.....	.....
McDonald, com.	.....	17.00
Morrow Screw, 6% bonds	81.00	89.00
People's Loan & Savings	85.00	90.00
Prudential Trust	....	80.00
Ruddy, E. L., pref.	.....	95 00
Stand. Bel. Loan (par $50)	44.00	.....
Steel & Radiation, com.	31.00	.....
Do., pref.	....	85.00
Sovereign Life	.....	25.00
Trusts & Guarantee	88.00	.....
Tough Oaks	2.70	3.00
Ford Motor	....	350.00
Ontario Pulp, bonds	83.00	90.00
Volcano Oil	120.00	.....
Dom. Glass, pref.	83.00	.....
Eastern Car, pref.	73.00	.....
Do., 6% bonds	95.00	.....
Northern Elec. 6% bonds	91.00	98.00
Russian Govt. 5½% bonds	28.00	29.00
Anglo-French, 5%	92.00	93.75
Belding Paul, com.	17.00	22.00

The National's Service
VI
AS EXECUTOR

As executor appointed by will, the Company assumes its duties immediately after the death of the testator. These duties comprise skilled attention to the formalities connected with the issue of Letters Probate and with the payment of Succession Duties; and, where necessary, the prompt realization of assets by an organization of long training in the management of property. Finally, the protection the Company gives as executor consists in the distribution of the estate to the heirs impartially, in precise accord with the provisions of the will.

Our fees as executor are never more than a private executor would receive. Inquiries invited.

National Trust Company Limited
Capital Paid-up, $1,500,000.
Reserve, $1,500,000.
18-22 King Street East, Toronto.

£20,000 ($97,333.33)
CITY OF WINNIPEG, MAN.
4½% REGISTERED STOCK
DUE 1 FEBRUARY, 1963 INTEREST PAYABLE 1 FEBRUARY AND AUGUST
PRINCIPAL AND INTEREST PAYABLE AT THE FIXED RATE OF EXCHANGE OF $4.86 2-3 TO THE £.
PARTICULARS OF MUNICIPALITY:
ASSESSED VALUATION $280,791,340
GENERAL DEBENTURE DEBT 5,051,170
LESS SINKING FUND 350,792
NET DEBENTURE DEBT .... $ 4,700,378
POPULATION—203,000. AREA—14,685 ACRES.
PRICE: 86.23 AND INTEREST
(YIELDING 5.30%)
ÆMILIUS JARVIS & CO.
(Members Toronto Stock Exchange.)
JARVIS BUILDING, TORONTO, ONT.

J. P. BICKELL & CO.
STANDARD BANK BUILDING, TORONTO, CANADA
MEMBERS OF THE CHICAGO BOARD OF TRADE, NEW YORK COTTON EXCHANGE, NEW YORK PRODUCE EXCHANGE, WINNIPEG GRAIN EXCHANGE, STANDARD STOCK AND MINING EXCHANGE.
Wheat, Grain, Provisions, Cotton, New York Stocks, Bonds, Canadian Securities
Cobalt and Porcupine Mining Stocks
BOUGHT AND SOLD.
Private Wires. All Exchanges. Direct private wire to New York Curb.
Market Letter Mailed Free on Request.

MAKE YOUR DOLLARS
FIGHT
AT THE FRONT
BUY
DOMINION OF CANADA
THREE-YEAR
WAR SAVINGS CERTIFICATES
$ 25.00 FOR $21.50
50.00 " 43.00
100.00 " 86.00
INDIVIDUAL PURCHASES LIMITED TO $1500
FOR FULL PARTICULARS APPLY AT ANY BANK OR ANY MONEY ORDER POST OFFICE
JAN. 9, 1917
FINANCE DEPARTMENT
OTTAWA

MACLEAN'S MAGAZINE for FEBRUARY
Just suppose you were made Editor of MACLEAN'S MAGAZINE for one issue

WHAT would you provide for your readers? You would probably want some good short stories, and you would like to offer chapters of a good serial. You would want something in lighter vein. Perhaps some verse. Certainly some serious articles of an informative and critical nature. Probably you would want everything—contributions and illustrations—to be by Canadians. Good! But who are they? And could you get their work?

Look at what the regular editor, T. B. Costain, has provided for the February issue of MACLEAN'S:

"Jordan is a Hard Road," by Sir Gilbert Parker.
"Into the Abyss," by H. G. Wells.
"Danton of the Fleet," by A. C. Allenson.
"The Greatest Hotelman in the World," by W. A. Craick.
"In Merry Mexico," by Stephen Leacock.
"The Elections and Canada," by Agnes C. Laut.
"How Premiers Control Their Cabinets," by H. F. Gadsby.

Then Editor Costain starts in this February issue of MACLEAN'S a new department—snappy biographical sketches and zestful stories of notable and interesting Canadians. You will enjoy this yourself and so will all others to whom you may introduce MACLEAN'S MAGAZINE.

The usual departments—"Review of Reviews" and "Information for Investors"—are present as usual.

Now if you have been keeping in mind yourself—as a possible editor of MACLEAN'S MAGAZINE for a single issue—do you think you could excel or equal what the regular editor has provided for MACLEAN'S readers?

At All News-Agents—Fifteen Cents

TEXTILE MEN SEE NO SIGNS LOWER PRICES

All Factories Are Away Behind With Their Orders.

LABOR PROBLEM IS ACUTE

Dominion Textile Plans for Important Extensions After the War—Montreal Cottons to Restrict Lines.

Certain well-defined trends characterize the textile trade of Canada today. In the first place, there is unanimity of opinion on the point that no reduction in prices may be expected in the near future. How long the present high levels will be maintained depends on how long the war lasts; what kind of a cotton crop is harvested this year, and other conditions. It may also be said of all the textile concerns that they are away behind in their deliveries; some, of course, are worse off in this respect than others.

The labor problem continues acute, the difficulty of securing an adequate number of operatives being mainly responsible for the slow deliveries. The mills in the Province of Quebec have suffered less than those in other parts of the country, but the situation has been far from satisfactory even there.

"We keep half a dozen men scouring the rural districts for help," said F. G. Daniels, general manager of the Dominion Textile Co., to the FINANCIAL POST, "and even then we have been unable to get enough, in spite of the fact that our scale of wages has been increased 24½ per cent. during the past nine months of our fiscal year.

"Orders for goods keep flooding in," said Mr. Daniels, "and we are doing our best to take care of them." The company has not yet completed the delivery of its spring orders, but will be ready with their fall samples in March. These are now being printed and put in shape. The company has lots of orders ahead, and is looking for a continuance of good business. All the jobbers were very low in stocks, said Mr. Daniels. He did not look for any higher prices than were now prevailing, but he saw no immediate prospect of a decrease.

The Dominion Textile Company has plans under consideration for important extensions to several plants after the war. "The consummation of these are, however, dependent upon correlated conditions such as the cost of machinery," said Mr. Daniels. "At the present time the manufacturers whose machinery is regarded as the best in the lines we require, will not quote a price, nor will they guarantee delivery within any specified time. The best they will do is to book your order on the understanding that it will be charged for at the ruling prices the day it is entered upon their shop records."

Since the war started the company has gone into a number of new lines, which will enable it to keep the plants busy even after the big war demand ceases. A large amount of business that was formerly done on this side by United States factories has gravitated this way and the company expects to be able to hold it.

A number of lines of goods that were formerly imported from Germany are now being manufactured in Canada by customers of the Dominion Textile Co., and it is expected that business of this class will be a considerable factor in the future.

Will Restrict Lines.

The management of Montreal Cottons, Limited, frankly admitted that the company was away behind in deliveries, but it was doing its best in the face of a serious shortage of labor. There was no hope of any lower prices for some time. This company has no "fall season" in the sense of having different samples. The business is mainly in dyed goods, linings, etc., and the fall samples do not differ from those used in the spring.

As a result of experience in the past couple of years, the company has decided to make fewer lines of goods and fewer styles in each line. The conclusion has been arrived at that all interests will be better served by the adoption of this policy.

The extensions that have been made during the past year by Montreal Cottons, Limited, has enabled the concern to considerably increase production.

The management report a "wonderful demand for goods," a demand which shows no signs of slackening off. The market price of cotton is of little significance to Montreal Cottons, as the class of goods manufactured requires the long staple cotton exclusively. For this the company has to pay 25 cents a pound, while the market price is around 17 and 18 cents. This company also uses a considerable quantity of the fine Egyptian cotton, which sells at 60 cents a pound.

Will Look After Home Trade.

"The output of Canadian Cottons will probably show an increase over the previous year," said A. O. Dawson, the managing director, to THE FINANCIAL POST. The company has had to cut off its export business in order to look after Canadian customers properly. "We consider that our first duty is to our Canadian trade," said Mr. Dawson, "and we are finding it difficult to keep pace with the demand. In fact, we cannot keep pace with it, and we are away behind in our deliveries."

Mr. Dawson could see no indications of lower prices on the trade horizon.

"There will probably be a large cotton acreage planted, but one can never tell what will be harvested until it has been baled. The boll weevil did a lot of damage last year and may get in its deadly work on this year's crop."

Canadian Cottons, Limited, will have fall samples ready in March and all indications point to a record year's business.

LANDED BANKING.

Increased Assets and Higher Profits for Year.

An increase in profits from $133,833 to $138,158 and an enlargement of assets to $3,761,614 are the principal features of the annual statement of the Landed Banking and Loan Company for the year ending December 31st, as compared with 1915. After providing for taxes, dividends, patriotic subscription, etc., as well as for reserve, there was a substantial balance, the total now amounting to $6,348 as compared with $3.164 in the last report. The addition to the reserve fund was $50,000 making a total of $775,000 or 77½ per cent. of the paid up capital. Comparative figures follow:

	1916	1915	1914
Profits	$138,158	$133,833	$125,195
Premiums	2,006	2,304	9,775
Bal. forward	3,164	826	1,960
	$143,328	$136,963	$136,930
Dividends	$ 79,905	$ 78,642	$ 76,847
Taxes	2,709	2,591	2,524
Patriotic	850	...	1,200
War Taxes	3,516	2,566	...
Premises	...	...	532
Reserve	50,000	50,000	55,000
Bal. forward	6,348	3,164	827
	$143,328	$136,963	$136,930

The profits shown represented 13.2 per cent. on the company's paid up capital and 7.8 on the investment. The record of earnings follows:

Year	Paid-up Capital	Profit	Div.	% Profits Aver. Cap.	Earn. Rate
1912	$ 700,000	$100.587	7	14.3	8.5
1913	929.126	106,242	7½	12.6	7.8
1914	978,500	120,139	8	12.6	7.6
1915	987,970	128,676	8	13.1	7.1
1916	1,000,000	131,934	8	13.2	7.8

Some changes are indicated in the assets which have in the total increased by $76,090. Loans have increased from $3,183,178 to $3,238,217; holdings of Dominion and provincial bonds from $17,392 to $57,584; other bonds from $26,140 to $79,797 and loans on stocks and bonds from $83,420 to $97,382.. Cash on hand and at bankers declined from $233,267 to $162,842 and holdings of municipal bonds from $65,096 to $60,789.

CIGARETTES FOR THE EAST.

British American Tobacco Co. Has Big Prospects in China and India.

A remarkable development of the cigarette business in the Far East is indicated by the report of the British American Tobacco Company. This concern, which was formerly a comparatively small subsidiary of the American Tobacco Company, is now turning out 30,000,000,000 cigarettes a year, which is 8,000,000,000 more than the combined output of all the American concerns. Imperial Tobacco Company controls the business in the British Isles, the United States and colonies, while the British American Company covers the rest of the world, with the exception of such countries as control their own tobacco business. British American probably made between $4,000,000 and $5,000,000 in China alone in the year just closed and the officials acknowledge that they have hardly more than covered the coast. The possibilities in China, with its uncounted millions, are at least equalled for this concern in India, where the company is doing an immense business.

CROWN RESERVE HAS DEPLETED ORE RESERVES

Dependent on Porcupine Crown for Considerable of its Income.

PROSPECT IN CALIFORNIA

Porcupine Crown Report Shows Satisfactory Results, Especially in Final Quarter of the Year.

Annual meetings of the Crown Reserve Mining Company and its gold mining subsidiary, Porcupine Crown Mines, Limited, were held in Montreal on Wednesday of this week. The report of the former company indicated that its continued existence was becoming more and more dependent on the ability to secure other paying mining properties. Of the new properties investigated or acquired by the company, the most promising is stated to be the Reserve Mine in California. Ninety per cent. of the stock of the company owning the mine is controlled by the Crown Reserve, and the outlook for a substantial profit on the operation of the mine is good.

Options were taken during the year on the Globe property and another property in the Boston Creek district. The former option was discontinued, but the latter is still retained, though the effort to obtain gold in paying quantities has not been very successful.

The Year's Work.

Development during the year amounted to 3,200 feet, as compared with 3,387 feet the previous year. Silver production was 207,470 ounces, valued at $191,822. The company benefited to the extent of $28,407 on silver carried over from 1915, owing to an advance in the market price of silver. The profit on the $191,822 silver produced amounted to only $2,973 after expenses, including development and depreciation, were deducted. With the Porcupine Crown dividend, amounting to $144,000, and some minor revenue, the net increase for the year was $148,386. Against this were charged $22,487 for administration expenses, etc., and $89,271 for prospecting and exploration. To pay the 5 per cent. dividend declared at the end of the year, calling for $88,440, it was necessary to draw on surplus account to the extent of $51,813. This surplus, which was increased to $822,346 by the $28,407 adjustment on silver carried over from 1913, was, therefore, reduced to $770,533 at the end of 1916.

Porcupine Crown Results.

The report of the Porcupine Gold Mines showed that during the year 51,273 tons of ore were milled, while 34,224 tons are at present on timbers ready for hoisting. Developing and prospecting were driven 1,753 feet, and 4,156 feet of diamond drilling took place. During the year the 900-foot level was reached, 200 feet deeper than at the end of 1915.

A disappointing fact developed upon investigation of the western portion of the mine, where it was found that the quartz porphyry is in all probability non-productive. The chance of discovering any new veins of promise also seems to be remote, though prospecting is still being carried on.

The company's gross production for the year from 51,273 tons of ore was valued at $574,604, on which there was an operating profit of $270,430, with $4,574 interest. There was a total revenue of $275,004. Dividends at the rate of 12 per cent. took $240,000, $4,563 went to a bonus for employees and $20,797 was charged as profits tax for 1915 and 1916. These deductions left a net surplus in profit and loss account of $277,084, against $269,977 at the end of 1915.

PACIFIC GREAT EASTERN.

Steps Being Taken to Complete Railway in British Columbia.

The Provincial Government has been notified by the Pacific Great Eastern Railway that that company will not be able to meet its next interest payment of $316,000, which falls due shortly. This makes the third time such a contingency has occurred. The new government has been carefully investigating the condition of all the government guarantees covering issues of railroad bonds. The cabinet is now face to face with the question of what to do with this undertaking. By foreclosing the province will have an uncompleted road upon its hands. The line is necessary, however, as it taps a rich agricultural country. The advisability of inducing one of the transcontinentals to take over the road has been discussed by the Cabinet and it is current here that Premier Brewster, who left for Ottawa last night, will, while in the East, negotiate with either the C.P.R. or G.T.P., probably the former. The late government a short time before it went out of power put through an Act providing for a loan of $6,000,000 to the P.G.E., and secured for its trouble much criticism locally, largely culminating in the election campaign. Of the above amount $2,000,000 of bonds were floated, of which half was turned over to the railway, the balance being used for other purposes. In the face of present market conditions it is unlikely that a further bond issue will be floated just now. To push further construction, taking advantage of the favorable weather conditions, further funds will be necessary. The company has such to carry on until the end of March. In response to criticism the P.G.E. state that every cent. received on account of government guarantees has been properly applied and courts any investigation.

JAPAN PREPARES FOR CRISIS.

Government to Aid Nation in Economic Struggle.

Tokio.—Abundant evidence that Japan is making elaborate plans to meet the possibility of a world economic crisis is found in a recent meeting of the chambers of commerce of Japan, which gave a reception for the Terauchi Cabinet. Premier Terauchi delivered an address promising the Government's assistance in the maintenance of the nation's prosperity. The assemblage was significant as showing the existence of the same close working arrangement between Government and commercial interests in Japan as exists in the nations of Europe. There is great interest here as to whether the Washington Administration will prepare for the post war period by co-operating with its commercial and industrial leaders.

Count Terauchi said that at present Japan was enjoying prosperity with an excess of exports over imports. However, it might be very difficult to maintain this favorable commercial situation after the war. In this respect, said the Premier, the Government was prepared to consider proper measures for maintaining trade prosperity and to take proper steps to meet the changing situation.

It was important, the Premier held, that the nation should develop the domestic manufacturing industry by using home products in time of peace as well as war. The Government would endeavor to find proper measures and do what it considers best for the furtherance of that purpose. The great need for Japan was that it should supply its own needs in raw materials.

NO SETTLEMENT YET OF PAPER DIFFICULTY.

Continued from page 1.

seriously affected by the contemplated drastic action of the Government.

"Many of the mills operated for years at a loss," said Mr. MacLaurin, and now when they have an opportunity to recoup themselves to some extent, the Government steps in and says: 'No, you will not be permitted to make any money. The law of supply and demand will operate in the case of other commodities, but you must not make any money, no matter what other industries may do.'"

Paper manufacturers all smile when reference is made to the alleged "standing offer" of the American Publishers' Association to assist in financing a paper mill and guarantee a profit of $10 a ton for ten years.

One promoter who had rather protracted negotiations with the organization said they did not mean business. He had ascertained that fact at a considerable expense.

Another manufacturer pointed out that the cost of paper had not increased nearly as much as had many other lines.

"The paper industry is one of Canada's biggest industries. Every mill has from $2,000,000 to $10,000,000 invested in the business."

An Interesting Case.

If the Finance Minister carries out his reported intention of compelling the Canadian paper manufacturers to retain at least 20 per cent. of their output for the Canadian trade, it will have one curious incidental result. The "Chicago Tribune" own the Ontario Pulp and Paper Co. at Thorold, the output of which is 150 tons per day. This does not supply the entire needs of the "Tribune," and they have to go into the market for about 30 tons a day. Under Sir Thomas White's expected decree the "Chicago Tribune" will have to go into the open market and sell 30 tons of paper to the Canadian publishers, and then, no doubt, will have to buy a similar amount in the United States at higher price. One paper manufacturer figured out that the "Tribune's" contribution to Sir Thomas White's policy would be $450,000 a year. Under the expected new regulated price there will probably be a strict adherence to cash terms, which publishers may find embarrassing.

DIVIDENDS DECLARED.

The Canadian Bank of Commerce

DIVIDEND NO. 120

NOTICE is hereby given that a quarterly dividend of 2½ per cent., upon the capital stock of this Bank has been declared for the three months ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Thursday, 1st March 1917, to shareholders of record at the close of business on the 14th day of February 1917.

By Order of the Board,

JOHN AIRD,
General Manager.

Toronto, 19th January, 1917.

KERR LAKE MINING COMPANY

61 Broadway, New York, January 9, 1917.

DIVIDEND NO. 46

The Board of Directors have this day declared a regular quarterly dividend of 25c. PER SHARE on the capital stock of the Company, payable March 15th, 1917, to stockholders of record at the close of business on March 1st, 1917. Books will not close.

E. H. WESTLAKE, Treasurer.

Illinois Traction Co.

NOTICE OF DIVIDEND No. 16

A QUARTERLY Dividend at the rate of Three per cent. (3%) per annum on the common stock of the Illinois Traction Company has been declared for the quarter ending January 31st, 1917, payable February 15th, 1917, to shareholders of record January 31st, 1917.

By order of the Board,

GEO. M. MATTIS,
Treasurer.

Champaign, Ill.

Montreal Tramways Company

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of two and one-half per cent. (2½%) for the quarter ending the 31st December, 1916, has been declared upon the paid-up Capital Stock of the Company, paid in, to Shareholders of record on Monday, the 15th day of January, 1917, at 4 o'clock p.m. payable on Thursday the 1st day of February, 1917.

By Order of the Board,

PATRICK DUBEE,
Secretary-Treasurer.

December 18th, 1916.

BRANDRAM-HENDERSON LIMITED

GENERAL STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH NOVEMBER, 1916.

Fixed: ASSETS.			
Real Estate, Building, Plants, Equipment, Good Will, Patent Rights		$1,709,265.04	
Investments		3,630.00	
Total Fixed Assets			$1,712,895.04
Current:			
Merchandise		$452,407.11	
Accounts Receivable		418,282.89	
Bills Receivable		3,122.57	
Cash on hand and in Banks		28,428.79	
Total Current Assets			902,241.36
Deferred Charges			13,431.29
			$2.628.567.69
Fixed: LIABILITIES.			
Capital Stock Preferred	$500,000.00		
Capital Stock Common	970,000.00	1,470,000.00	
Bonds		397,900.00	
Bond Redemption Reserve		102,100.00	
Bond Premium Account		3,748.85	
Reserve for Depreciation		30,000.00	
Total Fixed Liabilities			$2,003,748.85
Current:			
Loans from Bank		118.587.45	
Bills Payable		42.076.90	
Accounts Payable		95,924.36	
Reserve for Dividend No. 21 on Preferred Stock Payable Jan. 2nd, 1917		8,750.00	
Reserve for Bond Interest		4.015.33	
Reserve for War Tax		6,000.00	
Total Current Liabilities			275,354.04
Surplus			349,464.80
			$2 628 567 69

Audited and verified,
P. S. ROSS & SONS, Chartered Accountants.

Montreal, December 28th, 1916.

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 30TH NOVEMBER, 1916.

CR.		
By Balance brought forward Dec. 1st, 1915		$215,064.01
Net Profit after deducting Head Office Charges		223,575.13
		$438,639.14
DR.		
To Bond Interest paid and accrued	$24,238.73	
Dividends on Preferred Stock paid and accrued	29,624.50	
Reserve for Depreciation	7,500.00	
Sinking Fund for Redemption of Bonds	15.300.00	
Building New Offices	6.501.11	
Reserve for War Tax	6,000.00	
		89,174.34
Balance at credit of Profit and Loss Account, Nov. 30th, 1916		$349.464.80

Audited and verified,
P. S. ROSS & SONS,
Chartered Accountants.

Montreal, December 28th, 1916.

DIRECTORS' REPORT.

To the Shareholders of BRANDRAM-HENDERSON, LIMITED.

Your Directors submit herewith their Tenth Annual Report with Statement of Assets and Liabilities and abstract of Profit and Loss Account for the year ended November 30th, 1916.

The Net Profits for the year amounted to $223,575.13, which, with the balance of $215,064.01 carried forward from the previous year, makes the sum of $438,639.14 to the credit of the Profit and Loss Account. Out of this sum has been paid the interest on bonds to September 30th and a reserve for interest accruing for October and November, also the dividend on the Preferred Stock. The sum of $7,500.00 has been provided as a reserve for depreciation, the sum of $6,501.11 for the building of the new offices at Montreal during March last, a reserve for the forthcoming war tax of $6,000,00, and the sum of $15,300.00 has been applied for Sinking Fund purposes, leaving a balance of $349,464.80.

It is gratifying to your Directors to be enabled to report that the sales of the Company during the past year were very much greater than during any previous fiscal year, and that practically every Division and Department of the Company has contributed to this result; our increased Export sales and Western business being particularly conspicuous.

Owing to competition and the adoption of different methods of manufacture, the profit on munition orders for Shrapnel Bullets has become very small during the last six months. In place of supplying our own material and workmanship, the necessary metals are furnished us free of charge by the Imperial Munitions Board, and our charges now are for labor and supervision only. We feel, however, that owing to the equipment we have, we would desire to continue the work, if for no other reason than that of patriotic assistance in the war.

During the year it was decided to offer to the public the $150,000.00 7 per cent. Preferred Stock still remaining in the Treasury, and the sale was readily accomplished during the month of July at a favorable price.

During the year a vacancy on the Board was filled by the appointment of Mr. H. H. Champ, Secretary-Treasurer of the Steel Co. of Canada, Hamilton.

In view of the satisfactory position of the Company, your Directors have declared a 3% dividend on the Common Stock to shareholders of record January 31st, 1917, payable February 15th, 1917.

On behalf of the Directors,

Halifax, N.S., December 29th, 1916.

GEORGE HENDERSON, President.

Canada Permanent Mortgage Corporation

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the Head Office of the Corporation, Toronto Street, Toronto, on Friday, January 26th, at twelve o'clock noon.

The President, Mr. W. G. Gooderham, occupied the chair, and the Secretary, Mr. George H. Smith, having been appointed Secretary of the meeting, read the Report of the Directors for the year 1916, and the Statement of Assets and Liabilities, which are as follows:

REPORT OF THE DIRECTORS.

Larger

The Directors of the Corporation have much pleasure in presenting to the Shareholders the Annual Statement of the Corporation's business for the year 1916, to which is appended the certificate of the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, all charges and losses, War Taxes and sundry contributions to Patriotic Funds, amounted to	$ 866,126.44
The balance at the credit of Profit and Loss at the beginning of the year was	179,525.83
Making the total sum available for distribution	$1,045,652.27
This amount has been apportioned as follows:—	
Four quarterly dividends of Two and One-half per cent. each on the Capital Stock	$ 600,000.00
Transferred to Reserve Fund	250,000.00
Balance carried forward at credit of Profit and Loss	195,652.27
	$1,045,652.27

All which is respectfully submitted,

W. G. GOODERHAM, President.

Toronto, January 10th, 1917.

GENERAL STATEMENT

Smaller

LIABILITIES.

Liabilities to the Public.

Deposits and Accrued Interest	$ 6,059,273.52	
Debentures—Sterling—and Accrued Interest (£2,323,142 11s. 3d.)	11,305,960.45	
Debentures—Currency—and Accrued Interest	3,112,237.01	
Debenture Stock and Accrued Interest (£87,865 17s. 2d.)	427,613.84	
Sundry Accounts	14,045.72	
		$20,919,130.54

Liabilities to Shareholders.

Capital Stock	$ 6,000,000.00	
Reserve Fund	5,000,000.00	
Dividend Payable 2nd January, 1917	150,000.00	
Balance carried forward at Credit of Profit and Loss	195,652.27	
		$11,345,652.27
		$32,264,782.81

ASSETS.

Mortgages on Real Estate	$27,859,081.70
Advances on Bonds and Stocks	546,052.72
Municipal Debentures, Bonds, British War Loan, Dominion of Canada War Loan, and other Securities	1,615,901.33
Real Estate acquired by Deed or Foreclosure	129,888.53
Office Premises (Toronto, Winnipeg, Vancouver, St. John, Edmonton, and Regina)	621,855.11
Cash on hand and in Banks	1,492,003.42
	$32,264,782.81

R. S. HUDSON,
JOHN MASSEY, } Joint General Managers.

We beg to report that we have examined the foregoing Accounts, together with the books and vouchers of the Corporation, and that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

A. E. OSLER,
HENRY BARBER, } Auditors.
Toronto, January 8th, 1917. Chartered Accountants.

The adoption of the Report of the Directors was moved by the President, Mr. W. G. Gooderham, who said:—

The Report and Statement which the Secretary has just read have been for some time in your hands, and no doubt have been carefully perused by you. I think they do not call for more than passing comment by me.

I feel it must have afforded you much gratification to find the Corporation has again been able, not only to earn and pay quarterly dividends aggregating Ten per cent., but to have placed to the credit of the Reserve another substantial sum of $250,000, as has been done for some years past. That Fund now amounts to Five Million Dollars. This has been accomplished, notwithstanding the fact that our money borrowed abroad is costing more to-day than at any time during the past forty years, while there has not been a corresponding increase in the rates of interest obtainable on mortgage loans. Securities issued by the British and the Allied Governments have yielded investors such unusually high rates of interest that we could not profitably compete with them. The difference between the high rates we would have had to offer in order to ensure the renewal of most of our debentures which became due during the year, and the moderate rates obtainable here, has not been sufficient to afford much margin of profit. Your Directors have, therefore, deemed it advisable to repay a considerable amount of the Sterling Debentures which matured. This is a war condition which we must expect to continue for the present year at least.

Our Reserve Fund having been increased during the past four years by the sum of One Million Dollars, it may be that some of the Shareholders would not altogether agree with the advice given by the Finance Minister, Sir Thomas White, that, while the war is occupying our country's resources to the utmost, financial institutions should save their extra earnings by increasing reserves rather than the returns to the Shareholders, but your Directors entirely agree with his views. We feel that during these times of grave financial disturbance, and with the uncertainties as to how long the present unsettled conditions may continue, or to what extent they may be aggravated, the Shareholders should commend the prudent policy of the Directors in preferring to conserve the resources of the Corporation, and, in the meantime, to keep intact the funds which it may be possible to set aside as an additional fortification against whatever the future may have in store. In pursuance of this policy we may face that future with absolute confidence, and we have no doubt that in time the results will prove to be greatly to the advantage of the Corporation and consequently to the profit of the Shareholders.

Your Directors are gratified with the manner in which borrowers generally have met their obligations, both interest and principal. In some sections the grain crops were adversely affected by the drouth and rust, and in consequence, some of our mortgagors have been compelled to ask for indulgence, which has been cheerfully granted. The consideration shown our customers under the circumstances named, is always appreciated, and proves mutually advantageous.

While in many instances the selling values of properties, especially in cities and towns, have been materially affected by the financial uncertainties of the past two or three years, the Corporation's interests have been protected against the possibility of serious loss by the conservative policy of the Management. It has always been our practice to avoid all securities of a speculative nature, to require very safe margins, and to provide in our mortgages for a satisfactory reduction of the principal originally loaned. The repayments which, in most cases, had been made previous to the present unsettled situation, had so increased the margin of security as to fully compensate for the temporary shrinkage in values. In making later loans which have not as yet been so greatly reduced, the Directors adopted an even more than usually conservative policy, as they recognized as far back as 1912 and 1913 that the tendency was for values to become somewhat inflated, and governed themselves accordingly.

In good times, as well as bad, there will always be borrowers who, through poor management, or owing to misfortunes, will be unable to redeem their properties. In such cases, when the Corporation has to look for the security, it occasionally finds the property so depreciated that the full claim cannot be realized. Owing, however, to our efficient system of inspection, both of the properties covered by our mortgages and of the Corporation's various offices, this does not frequently occur. All our accounts as well as securities are so closely inspected that these comparatively small losses are usually anticipated. I am able to say to you that, in the result now submitted, ample provision has been made for any deductions which may be found necessary, even under existing disturbed conditions.

It affords me much pleasure to testify to the loyalty and zeal of the office staffs at Head Office and at the different Branches, also of the Company's Inspectors. In common with other financial concerns, many of our staff have been called away by the demands of our manhood, to the great war, and to enable them to respond, every facility has been afforded those who are called upon for this sacrifice.

I think I need not add anything to these remarks, more than to say that, in the opinion of your Directors, the result of the year's operations is eminently satisfactory, and we trust it may prove equally satisfactory to the Shareholders.

I have pleasure in moving, seconded by Mr. Matthews, the First Vice-President, that the report of the Directors be received and adopted, and, together with the General Statement, be printed and a copy sent to each Shareholder.

In seconding this motion, the First Vice-President, Mr. W. D. Matthews, said:—

I have much pleasure in seconding the adoption of the Report and I am quite sure it will be received by the Shareholders with as much gratification as it has given the Directors to be able to present such a good statement to you at this time. The statement shows that the profits for the year are satisfactory, and that the Company is in a strong financial position.

At every important meeting the War and its effects are the main topics for discussion, and many opinions are advanced about the conditions that will be brought about when peace is established.

Up to the present, Canada has come through the periods of trial because of changed conditions that have been in evidence, with credit to the Dominion because of her response to the Imperial call for Soldiers and in the rapid and successful manner in which our manufacturers entered into the work of fitting their factories to fill the orders for munitions, a class of work that was entirely new to them.

The orders for munitions of all kinds have been on such a gigantic scale that the quantity delivered has been regulated only by the supply of labor.

What prosperity we have had in former years has been mainly brought about by the development of our natural resources, and of these, agriculture is the most important.

The policy of your Company has been always to favor loans on farm properties, and a large percentage of the mortgages held is on that class of security. The high prices that have ruled for all kinds of farm produce have put our farmers in an exceptionally good financial position. Fortunately, we have not had any important speculation in farm lands, so that the values of agricultural lands have remained on about the same basis as before the war.

Our Governments and those Companies who are largely interested in immigration, are giving special attention to this work, so that when the war is ended, the business of attracting settlers will receive prompt attention, and I think the prospects are favorable to Canada proving attractive to that class who wish to engage in farming. Therefore, the outlook for your Company continuing a satisfactory and successful business seems well assured.

You will notice by the statement that the mortgages held by your Company have decreased by the amount of about $550,000. The President has referred to the fact that we found it more profitable to repay a considerable portion of the Debentures which matured, than to renew them at the increased rates which would have been required. Money in Great Britain is to-day as dear as it is in Canada. Large amounts are wanted for Imperial purposes, and these Imperial loans, as you can see by the newspaper reports, are being taken up in Great Britain in a magnificent way. The reduction in our Debenture is, therefore, quite natural.

I can quite concur in your statement, Mr. President, as to the activity and efficiency of the staff generally. I think we can be very well pleased and very proud that the policy of the Company has been of such a character that at the end of two and a half years of the war we can present such a statement as this to you. It is not easy to safely and profitably take care of such a large amount of mortgages as we have under our management. It requires close application to the work, it requires interest in it, and it requires a great deal of study and foresight, and the Joint General Managers, the Secretary, and other members of the staff deserve our sincere thanks that they are able to present to you through the Directors such a statement as is submitted to-day.

I have much pleasure in seconding the motion for the adoption of the Report.

The motion for the adoption of the Report having been put to the meeting, was unanimously carried.

The Shareholders, by a unanimous vote, ratified certain subscriptions which the Directors had made to the Canadian Patriotic Fund, the British and Canadian Red Cross Societies, and for other patriotic purposes.

The election of Directors for the ensuing year was then held, and resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, G. W. Monk, Lt.-Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C. (Edinburgh), R. S. Hudson, John Massey, F Gordon Osler, and E. R. C. Clarkson.

Messrs Henry Barber and A. E. Osler were re-appointed Auditors for the current year.

At a subsequent meeting of the Board, Mr. W. G. Gooderham was re-elected President, Mr. W. D Matthews, First Vice-President, and Mr. G. W. Monk, Second Vice-President.

OIL AS FUEL.

Has Established Itself as More Economical in Ships.

Oil is fast supplanting coal as fuel in manufacturing establishments in many sections of the country because of its greater economy. The high price of coal and the failing of natural gas supply has increased demand for fuel oil to the largest extent ever known, and as a result the price of fuel oil has doubled in the last several weeks. The present price of 8 cents a gallon at Pennsylvania refineries compares with less than 4 cents about two months ago.

The rapid development of the use of fuel oil in manufacturing plants is the feature of the oil industry at present, outside of gasoline. At present prices fuel oil is becoming more valuable to the refiner than kerosene, once the backbone of the oil refining business. Kerosene to-day is selling for 1½ and 2 cents a gallon in Oklahoma, and it is a glut on the market.

The use of oil as fuel in ships has been pretty well established as superior to coal. Roughly, three barrels of oil will do the work of one ton of coal, so the choice of either is largely a matter of price. In addition there are small economies of operation when oil is used, such as a day saved in port, larger cargo space and elimination of stoking charges.

SASKATCHEWAN.

Losses by Fire in the Province Under Million Mark for Nine Months.

The total loss by fire in Saskatchewan from January 1 to October 1, 1916, was $801,302, of which $648,890 was incurred on urban risks and the balance on rural risks. The total insurance involved was $4,968,346. The number of buildings destroyed or affected was 733. Lightning proved the most common cause of fires, 105 being occasioned by this agency. Overheated stovepipes and furnaces accounted for 68.

During the first nine months of 1915 the losses reported amounted to $592,004.04, while during the same period for 1916 the fire loss was $801,302.13, showing an increase for 1916 of $209,297.69.

Since the passage of the Fire Prevention Act of 1916, which came into effect on June 1 last, there have been 62 inspections, 21 investigations and 15 orders issued to remedy conditions, and all of the latter have had the desired effect.

Fireguard inspection, which is also carried on by the Fire Commissioner, has not required the same attention this year as formerly owing to the unusually wet season, which lasted until late in the fall. This was the principal reason for a good deal of the fireguarding being incomplete, and in addition there was a decided scarcity of men and teams, which has been attributed to the call for men for the defence of our King and country in the great world struggle, and which left the farmers with very little time to carry on work outside of their actual farming operations.

The large ten-storey office building on Notre Dame Street, Montreal, opposite the Court House and known as the Sauvegarde Building, has passed under the control of J. A. Davis & Co.

U. S. AND BANK OF ENGLAND

The Statist's Opinion of the Recently Established Banking Relations.

The announcement that the Federal Reserve Board of the United States has authorised the Federal Reserve Bank of New York to appoint the Bank of England its financial agent, and reciprocally to act for the Bank of England as its agent in New York, has, says the "Statist" very naturally roused much interest on both sides of the Atlantic, for it opens up possibilities of the greatest importance, which may exercise unexpected influences upon the trade of the English-speaking populations in both countries. Without more information than has yet been vouchsafed to the public we guard ourselves against any decided view in the matter. For it is to be recollected that the new banking system of the United States is only just now in full working order, and it has many novel features, the consequences of which cannot be fully measured until we have had more experience.

For one thing, it is to be remembered always that there are no fewer than 12 District Reserve Banks established in the United States, and that each one of these has practically the same functions to perform, each in its respective district. Over the whole 12 there is a Reserve Board, whose proper functions is to enforce uniformity of action upon the whole. Therefore, it is almost a matter of course that the authority given to the Reserve Bank of New York should also be intended to be given to any other Reserve Bank in the United States which wishes for it. On the other hand, it is to be borne in mind also that the 12 Reserve Banks have no authority to act with, or for, the general public. They are really Reserve Banks, as their title implies, and they act only for their member banks, which supply them with the capital they work with.

What, then, is the extent of the power of the Reserve Bank of New York when it appoints the Bank of England its agent? It can act in the United States for any of the member banks within the New York reserve district. But it cannot act, if we understand the American law correctly, for any other purpose. It cannot act, for example, for the member banks in the Chicago district. And it is a doubtful question whether it can act on its own motion without reference to any of its own member banks within its own New York district. Furthermore, it is a nice question what limit of power it has to act for the Bank of England, supposing the Bank of England appoints it its agent in New York.

If we read the Act constituting the new American banking system aright, the 12 Reserve Banks have limited powers. It is true that amending Acts have been passed since the original law came into force, and, therefore, only a trained lawyer would venture to speak at all positively as to the powers of any particular Reserve Bank. Yet there is no question that the powers of the Reserve Banks are very limited, even to the extent that they cannot deal with the general public. It will be extremely interesting, therefore, to watch how the system will work if the arrangement spoken of between the New York Reserve Bank and the Bank of England is carried into effect.

It will clearly be understood by our readers that the Bank of England was established so long ago as the reign of William the Third; that there existed in England at the time only banks started by private individuals upon their own responsibility; and that the Bank of England, therefore, was not only the first great State bank, but it was the first bank actually established by the Government of the country. The same remarks apply more or less to the other great central banks throughout Europe. But the new American banking system was introduced, not as an entirely novel thing, but as a reform and modification of an existing banking system. In other words, the National Banks of the United States existed at the time, and have not been materially changed by the new legislation. On the other hand, the Reserve Banks are entirely new creations, superadded to the system which was introduced by Mr. Chase during the great Civil War. In a sense the 12 Reserve Banks in the United States are similar to the Bank of England in this country. But they are entirely different in origin, in the intention of the legislators, and in the powers they possess. It will, therefore, be exceedingly interesting to note what the consequences will be, assuming that the negotiations between the Bank of England and the Reserve Bank of New York are carried out and thoroughly acted upon.

It is quite clear, for example, that if the Reserve Bank of New York had the same powers as the Bank of England unquestionably has, the undertaking by the two to act reciprocally as agents one of the other might have a very far-reaching influence upon the financial relations of this country and the United States. But the question immediately arises, Can the Reserve Bank of New York act either with the freedom or with the decision which the Bank of England can? Of course, it is quite true that Congress can pass any amending Act it likes with the approval and sanction of the President. We, however, are assuming at present that there is no immediate intention to alter the law, but that the two great banks mentioned intend to act as agents of one another in their respective spheres of influence; and we are simply throwing out a hint that many of the suggestions we have noticed seem to us impossible of realization, unless there is a very considerable modification of the existing American law.

AN ILLEGAL BY-LAW.

Bonus Granted by One Town to Industry Operating in Another.

Last August the town of Trenton, Ont., passed a by-law granting a bonus of five thousand dollars in cash and other concessions to the Benedict Manufacturing Company, of Syracuse, N.Y. Contemporaneously, the Benedict-Proctor Co., of Alliston, announced its intention of removing its plant from that town. The people of Alliston became suspicious that it was for the Benedict-Proctor Co. that the by-law was being submitted in Trenton, and the Alliston Council accordingly instructed its solicitors to notify the town of Trenton that it was acting illegally in offering a bonus to the industry. Notwithstanding, Trenton went ahead with the submission of the by-law.

Alliston Council on the advice of its solicitors, then decided to take the matter to Osgoode Hall. The action was launched and orders secured for the examination for discovery of several parties. Mr. Bell, of Bell & Brown, who had the matter in hand, was anxious to examine L. C. Proctor who has been critically ill. Mr. Proctor being unable to undergo any questioning, a couple of adjournments of the argument were secured and finally an adjournment without any date being set for the hearing. Finding that it was not going to be possible to examine Mr. Proctor for some time, Mr. Bell, about the middle of December, intimated that he was ready to proceed with argument and the hearing was set for Thursday, December 21, before Mr. Justice Hodgins. Mr. Bell presented the argument for the plaintiff municipality and I. F. Hellmuth, K.C., of Hellmuth & Abbott, Toronto, for the defendants. The contention was whether or not the Benedict-Proctor Co. was a part of the Benedict concern in Syracuse. After the hearing the court announced that judgment would be given at a later date. It was handed out last week, quashing the Trenton by-law and assessing all costs against that town. The costs will amount to something in the neighborhood of $2,000.

CANADIAN WESTINGHOUSE.

Shareholders Benefit by Recent Action of Board.

Following the recent announcement that the authorized capital of the Canadian Westinghouse Company had been increased from five million dollars to ten million dollars, it is now learned that the directors have decided to increase the paid-up capital by the immediate offeringof $1,250,000. Shareholders of record Febuary 1 will have the oportunity to subscribe between that date and February 15. Subscriptions will be for one share to every four shares now held. The new shares must be paid for on or before March first.

The directors have declared payable March first, to record February first, a dividend of 25 per cent. This dividend can be used for payment of new shares, being for the exact amount of the capital increase. It is practically a stock dividend and is being paid from accumulated profits.

MONEY, BANKING AND EXCHANGE

Bank Clearings for the Dominion Showed Gain of 21.1 per cent.—In the West 18.0 per cent., and in the East 22.4 per cent.

From official reports to THE FINANCIAL POST, bank clearings for the week ending January 25 showed a gain as compared with the figures for the corresponding period last year of 21.1 per cent. Brandon was the only city to show a decline. At the Western points the gain was 18.0 per cent., and at the Eastern points 22.4 per cent. In the West, Lethbridge showed a gain of 99.6 per cent.; Medicine Hat, 93.4; New Westminster, 54.8; Regina, 48.9; Edmonton, 44.2; Vancouver, 43.8; Calgary, 41.2; Saskatoon, 36.7; Moose Jaw, 23.7; Victoria, 22.3; Fort William, 12.8; Winnipeg, 6.3. In the East, Hamilton showed the largest gain of 39.4; next came Montreal with a gain of 22.9; Toronto, 22.1; Ottawa, 21.2; Brantford, 21.2; St. John, 18.3; Peterboro, 16.2; Halifax, 15.9; London, 14.5; and Quebec, 13.3 per cent. For the year to date the gain was 16.2 per cent.

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	Jan. 25, '17.		Change.	%
Montreal ..	$ 68,113,259	+$	12,690,234	22.9
Toronto	49,763,770	+	9,017,898	22.1
Ottawa	5,001,964	+	874,704	21.2
Hamilton . .	4,372,118	+	1,233,029	39.4
Quebec .. .	3,517,773	+	414,619	13.3
Halifax .. .	2,229,472	+	305,336	15.9
London	1,782,846	+	225,741	14.5
St. John ...	1,764,673	+	272,202	18.3
Brantford. .	689,002	+	120,202	21.2
Peterboro ..	486,475	+	68,081	16.2
Total (East)	$137,721,352	+$	25,222,046	22.4
Sherbrooke .	513,385			

Western Cities.

	Jan. 25, '17.		Change.	%
Winnipeg ..	$ 31,634,502	+$	1,854,186	6.3
Vancouver .	6,696,433	+	2,015,344	43.8
Calgary . ..	4,805,165	+	1,401,031	41.2
Edmonton ..	2,343,354	+	708,409	44.2
Victoria . .	1,501,619	+	268,130	22.3
Regina	2,333,401	+	734,682	48.9
Saskatoon ..	1,353,837	+	363,382	36.7
Moose Jaw.	1,043,781	+	199,910	23.7
Ft. William.	620,099	+	70,660	12.8
Brandon .. .	449,036	—	19,563	4.3
Lethbridge .	715,185	+	356,676	99.6
N. West'ster	279,450	+	98,453	54.8
Medicine Hat	556,010	+	268,075	93.4
Total (West)	$ 54,331,772	+$	8,319,375	18.0
Grand Total	$192,053,124	+$	33,541,421	21.1
Year to date	~~$847,936,767~~	+$	118,616,276	16.2

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending January 18 aggregate $6,041,661,000, against $6,043,789,000 last week and $4,449,754,000 in this week last year, an increase of 35.7 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:

(000's omitted)

	Jan. 18	I. or D.	Jan. 11
New York	$3,621,789	I 34.4	$3,645,501
Chicago	483,317	I 32.8	477,693
Philadelphia ..	357,050	I 59.3	314,247
Boston	253,562	I 24.5	255,509
St. Louis	130,893	I 28.3	135,068
Kansas City ..	135,878	I 60.0	140,310
San Francisco.	88,996	I 55.7	82,530
Pittsburgh	71,050	I 24.1	73,737
Cleveland	63,468	I 67.7	68,309
Detroit	60,842	I 55.1	49,981
Baltimore	43,053	I 3.0	44,582
Cincinnati	43,987	I 29.7	40,023
Minneapolis ..	27,865	I 9.4	32,109
New Orleans .	35,052	I 43.8	36,197
Los Angeles ..	33,805	I 50.9	30,344
Omaha	33,243	I 57.3	35,842
Milwauwkee ..	24,273	I 38.2	24,708
Atlanta	27,586	I 71.6	29,236
Louisville	25,091	I 36.2	26,669
Richmond	23,600	I 66.9	24,369
Buffalo	20,195	I 50.0	20,795
Seattle	17,504	I 42.8	18,146
St. Paul	13,244	D 15.4	14,445

MONEY.

Conditions in the money market in Canada, the United States and Great Britain continue pretty much as they were last week. There have been practically no changes in the call money rates. In London, the rate is still around 4¼ per cent., while in New York 2 per cent. has been the ruling figure.

EXCHANGE.

Sterling exchange stands unchanged from last week, demand being quoted at $4.75 13-16 and cables $4.76 7-16. Francs remain steady at $5.83⅜ and $5.84⅜. Marks opened the week at the low figures of 67⅜ and 67½ for demand and cables respectively, but firmed up later and closed at 68 9-16 and 68⅝. Roubles were also weaker. Opening at 28.85 and 28.95, they dropped to 28.00 and 28.10, a new low, but recovered to 28.40 and 28.45. Italian exchange continues to fall away and is now quoted at 7.16 and 7.17.

New York funds opened the week strong at ⅛ premium and then reacted to about 1-16 premium, the market being inclined to heaviness.

ROYAL BANK.

Corp. W. G. Addison, of East Toronto, and formerly employed as teller at the East Toronto branch of the Royal Bank, is reported to be dangerously ill with pneumonia. Corp. Addison enlisted with the 33rd Battery at Kingston last March.

BANK OF NOVA SCOTIA.

At the annual meeting o fthe Bank of Nova Scotia held this week the retiring officers and directors were re-elected. The other proceedings were largely formal, except for an interesting address by the general manager, Mr. Richardson, of Toronto, on banking conditions in the Dominion.

MERCHANTS BANK.

Harold Ferrier, teller at the Perth branch of the Merchants Bank, has been transferred to the branch at Athens. Mr. Ferrier has been with the Perth branch for five years, commencing as junior. At Athens he will have charge of the cash and the accountancy.

BANK OF TORONTO.

The regular quarterly dividend of two and three-quarters per cent., being at the rate of eleven per cent. per annum, has been declared, payable on March 1 to shareholders of record February 14.

PENNY BANK.

It is interesting to note that on the first weekly deposit day at the public schools of Toronto the children deposited $7,249.74. The corresponding day last year produced $3,960.05, and in 1915 $3,307.16.

Every cent of these deposits goes at once to the credit of the Government at Ottawa. The money is handled by the Penny Bank of Toronto, of which Mr. M. A. Mackenzie is Manager.

BANK OF COMMERCE.

A branch of the Canadian Bank of Commerce has been opened at Willow Brook, Sask., in charge of J. R. Riches.

The Bank of Commerce has declared its regular quarterly dividend for the three months ending February 28, payable March 1, to stockholders of record February 14.

HOME BANK.

Charles Gillan has been added to the staff of the Home Bank at Chatham, following the resignation of Wilfred Giles.

A dividend at the rate of 5 per cent. per annum upon the paid-up capital stock of the Home Bank has been declared for the three months ending February 28, 1917, and this will be payable at the head office and branches on and after Thursday, March 1. The transfer books will be closed from February 14 to February 28, 1917, inclusive.

BANK OF HAMILTON.

The Bank of Hamilton has opened a branch at Truax, Sask., in charge of R. C. Cummins as manager.

BARCLAY'S BANK.

A London report states that at the annual meeting of Barclay's Bank the chairman reported that 1,415 employees are on active service. Some members of the staff were killed last year. The cash in hand of the bank is £120,000,000, equaling 21 per cent. of the deposits, a very liquid position. The net profits of the year were five million dollars. The dividends for the year were 10 per cent. on A shares and 17½ per cent. on B shares. The report attracts attention as an instance of the sound financial condition of the country.

BANK OF SCOTLAND.

Gross Earnings Show a Considerable Increase.

The gross earnings of the National Bank of Scotland for the year 1916, amounted to £440,861, which compared with £423,563 in the 1915 report, the increase being a gratifying one in view of the abnormal conditions prevailing. Net profits, after providing for all bad and doubtful debts, amounted to £266,540. Dividends at the rate of 16 per cent., together with bonuses, pension fund, and other provisions, reduced the surplus of profit and loss to £54,365, compared with a balance brought forward at the beginning of the year of £53,847. In addition to the balance referred to, the bank's reserve fund is now £700,000, exclusive of £126,800 set aside to meet the dividend. Attention of the shareholders is called to the fact that a heavy falling off having taken place in the value of high class investments to which the removal of the official minimum prices on the stock exchange at the rates paid by the Government for exchequer bonds issued during the year were contributory causes, the directors have transferred £100,000 from the reserve funds to the investment account in addition to the sum of £120,000 transferred to profit and loss. The balance sheet showed an increase in note circulation from £1,500,000 to £1,850,000, while deposits grew from £20,000,000 to close to £23,000,000; holdings of gold increased from £2,400,000 to £3,500,000, and call loans from £2,997,935 to £3,383,792. The holdings of British securities at £5,700,000, showed little change from the previous year, but compared with less than £1,000,000 at the end of 1914.

CLEARING COMPARISONS.

Four Cities Where Bank Adjustments Are Made.

In connection with the comparative bank clearings published from week to week it may be noted that there are differences between cities which do not correspond with population, wealth, etc. The figures should be considered in relation to the fact that there are only four cities in Canada where the banks adjust differences between one another in gold or in legal tender money. These four cities are Montreal, Toronto, Vancouver and Winnipeg.

It is pointed out further by G. W. Morley, secretary of the Canadian Bankers' Association, that at other cities the settlements are made by drafts on the four centres referred to, the clearings of which are consequently greatly inflated. However, Vancouver does not benefit largely in this connection, the only tributary points being Victoria and New Westminster. On the other hand Winnipeg has a large territory to serve, with Brandon, Calgary, Edmonton, Fort William, Lethbridge, Medicine Hat, Moose Jaw, Regina, and Saskatoon all settling by draft on that city.

According to the present arrangement, Hamilton and London in Western Ontario, which would naturally draw on Toronto, actually settle by draft on Montreal, as also do the cities of Halifax, Ottawa, Quebec, St. John and Sherbrooke. The only points left for Toronto are Brantford, Peterboro and Kitchener, from which the returns will always be small. For this reason in the future, the bank clearings of Winnipeg are likely to pass those of Toronto.

NEW BANK BRANCHES.

During the month of December the Canadian chartered banks opened thirteen new branches and closed three. The Bank Provinciale opened four branches, two being situated in New Brunswick, one in Quebec and one in Ontario; Home Bank opened two in Saskatchewan; Nationale one in Quebec; Royal four, one in Saskatchewan, one in Ontario, and two in Quebec; Weyburn Security, one in Saskatchewan; and the Bank of Hamilton opened a branch in Saskatchewan in January. Of the branches closed, one was by the Merchants Bank in Saskatchewan, Home Bank one in Quebec, and Provinciale one in Ontario. The following is a list of the branches opened and closed, as shown by Houston's Bank Directory:

(Opened.)

Bathurst, N.B., Banque Provinciale du Canada; xBattrum, Sask., Home Bank of Canada; xBuckland, Que., La Banque Nationale; Bulyea, Sask., Royal Bank of Canada; Cabri, Sask., Home Bank of Canada; xHamilton, Ont., John Street, Royal Bank of Canada; Masson, Que., Banque Provinciale du Canada; Montreal, Que., Bonaventure, Royal Bank of Canada; Montreal, Que., Sherbrooke and Draper Sts., Royal Bank of Canada; Norton, N.B., Banque Provinciale du Canada; Osage, Sask., Weyburn Security Bank; Regina, Sask. (January), Bank of Hamilton; Tilbury, Ont., Banque Provinciale du Canada.

(Closed.)

Battleford, Sask., Merchants Bank of Canada; Montreal, Que., Bonaventure, Home Bank of Canada; Tecumseh, Ont., Banque Provinciale du Canada.

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xSub-branches.

The number of branches at the end of December totalled 3,307, and are distributed as follows:

In Canada		3,198
Ontario	1,154	
Quebec	784	
Nova Scotia	111	
New Brunswick	82	
Prince Edward Island	17	
Manitoba	200	
Alberta	247	
Saskatchewan	413	
British Columbia	187	
Yukon	3	
In Newfoundland		27
Elsewhere		82
Total		3,307

The following table shows the monthly changes since 1913:

	1916		1915		1914		1913	
	*Op.	Cl.	Op.	Cl.	Op.	Cl.	Op.	Cl.
Jan.	16	14	6	9	16	6	34	4
Feb.	10	12	12	9	18	6	26	6
March	11	12	23	10	25	5	24	3
April	3	9	10	7	20	9	28	1
May	16	8	19	13	51	13	10	8
June	9	8	28	18	33	11	22	10
July	13	3	9	6	11	2	19	8
Aug.	10	5	9	6	13	8	19	5
Sept.	6	6	23	11	10	9	18	12
Oct.	30	11	6	7	15	11	28	12
Nov.	24	23	10	14	5	16	25	8
Dec.	13	3	15	24	20	23	20	4
Total	161	114	169	134	237	119	298	86

*Op.—Opened; Cl.—Closed.

London City and Midland Bank.

The report of the London City & Midland Bank, for the year ending December 31st last, shows profits amounting to £1,636,969 which with £113,597 bought forward makes £1,750,566 which was appropriated as follows: £207,606 for payment of salaries to members of the staff who are engaged with His Majesty's Forces, and bonus to others; £632,501 to writing down investments; £666,920 for dividends for the year 1916 at the rate of 18 per cent. per annum less income tax, which left a balance to be carried forward of £243,539. Deposits amounted to £174,620,724 and cash in hand and at Bank of England £47,973,686.

The offices of Sir Rodolphe Forget, at 83 West Notre Dame St., Montreal, were badly damaged by fire on Monday evening last.

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Our operations have included work in Montreal, Toronto, Ottawa, Quebec, Halifax, St. John, Sherbrooke, Brantford, Cornwall, St. John's, Gananoque, etc.

Estimates, etc., furnished on request.

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General Manager Western Canada TORONTO

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Paid-Up Capital	$2,410,925.31
Reserve - -	685,902.02
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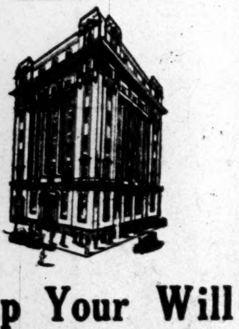

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Important changes may have taken place in your family or estate since your will was made. It is most desirable that your will be modified accordingly. We suggest that you appoint this Corporation as your executor, bearing in mind our successful experience of thirty-five years. Booklet on request.

THE TORONTO GENERAL TRUSTS CORPORATION

Capital Paid-Up	$ 1,500,000
Reserve	$ 1,850,000
Assets (over)	$77,000,000

BRANCHES:

Ottawa, Winnipeg, Saskatoon, Vancouver.

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ASSETS $73,000,000

THE BANK OF TORONTO

INCORPORATED 1855

Head Office - - TORONTO, CANADA

Paid-Up Capital - $5,000,000 Reserve Funds - - $6,508,000

DIRECTORS.

W. G. Gooderham, President.

J. Henderson, Vice-President.

William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, A. H. Campbell, Brig.-Gen. F. S. Meighen, J. L. Englehart, Wm. I. Gear, Paul J. Myler.

Thos. F. How, General Manager. John R. Lamb, Supt. of Branches.

T. A. Bird, Chief Inspector.

Bankers.—NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London City and Midland Bank, Limited.

THE HOME BANK OF CANADA

ORIGINAL CHARTER 1854

NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a Dividend at the rate of five per cent. (5%) per annum upon the paid up capital stock of this Bank, has been declared for the three months ending the 28th of February, 1917, and that the same will be payable at the Head Office and Branches on and after Thursday, the 1st day of March, 1917. The Transfer Books will be closed from the 14th of February to the 28th of February, 1917, both days inclusive.

By order of the Board,

J. COOPER MASON,
Acting General Manager.

Toronto, January 17th, 1917.

The Standard Bank of Canada

QUARTERLY DIVIDEND NOTICE No. 105

NOTICE is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st day of January, 1917, and that the same will be payable at the Head Office in this City, and at its branches on and after THURSDAY, the 1st day of February, 1917, to Shareholders of record of the 22nd of January, 1917.

The Annual General Meeting of Shareholders will be held at the Head Office of the Bank in Toronto, on Wednesday, the 28th of February next, at 12 o'clock noon.

By Order of the Board,

G. P. SCHOLFIELD,
General Manager.

Toronto, December 19th, 1916.

THE STERLING BANK OF CANADA

We know that Sterling Bank service will interest many business houses.

Investors' Information Bureau

Any subscriber to The Post may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially, and answered by mail.

This service is free to subscribers, but inquirers should enclose stamp reply.

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Travel Canadian Northern All The Way

RECOVERY IN EARNINGS OF THE DOMINION BANK

Profits Were Materially Increased and Position Was Well Maintained.

FINANCING SHELL ORDERS

Increase of $6,000,000 in Public Securities Indicates Assistance Given to British Government on Canadian Shell Orders.

In view of the large increase in profits shown in the annual statement of the Dominion Bank, to which reference has already been made, an analysis of the balance sheet has more than usual interest. Generally speaking, there was little change in the bank's position as regards immediately available liquid assets, which, according to THE POST'S standard, were 23.57 per cent. of total assets, against 24.21 per cent. a year ago, and 27.60 per cent. of the total liabilities to the public, against 28.64 per cent. However, there was an increase of over $6,000,000 in holdings of Canadian municipal securities and British, foreign and colonial public securities other than Canadian, which was the most important change in the bank's assets and represented the part played by the bank in financing British munitions orders in Canada. The rise in profits indicated it had been comparatively profitable business.

The increase in the holdings of public securities referred to made the total $7,500,764, as compared with only $1,167,263 in the last report. In the bank's position as regards loans, there was an increase of $1,522,459 in current loans and $1,040,292 in call loans abroad, while call loans in Canada declined $1,619,246. Other changes of interest were a decline of $1,821,722 in holdings of Dominion notes and a new item of $1,500,000 for gold reserve. Bank premises have been written down by $133,658.

The assets, all told, increased by $5,391,566 to $92,866,692. Counterbalancing this, the important items were increases of $3,829,597 in savings deposits and $2,122,566 in note circulation. Demand deposits were enlarged by $678,419. THE POST'S analysis follows:

Immediately Available Liquid Assets.

	1916.	1915.	Change.
Specie	$ 1,915,648	$ 1,626,964	+$ 288,684
Dom. Notes	9,220,183	11,041,905	— 1,821,722
Note cr. dp.	263,900	263,900	......
Notes bank.	835,396	704,779	+ 130,617
Call l'ns a'd.	1,251,751	221,459	+ 1,030,292
Bank bal. .	10,582	......	+ 10,582
Do. ab'd.	2,729,602	2,829,383	— 99,781
Gov. sec. ..	612,274	755,152	— 142,878
Cheques ...	3,539,659	3,721,594	— 181,935
Gold Reser.	1,500,000	......	+ 1,500,000
	$21,878,995	$21,165,136	+$ 713,859
% of t'l assets.	23.57	24.21	
% of total liab. to public....	27.60	28.64	
Other Assets.			
Pub. sec. ..	$ 7,500,764	$ 1,167,263	+$6,333,501
Other sec. .	4,184,383	4,647,002	— 462,619
Call loans .	4,325,654	5,944,900	— 1,619,246
Current ...	48,976,390	47,453,931	+ 1,522,459
Elsewhere .	53,975	12,329	+ 41,646
Ov'due dbts.	115,598	228,362	— 112,764
Lts. of cred.	307,047	1,215,563	— 908,516
Real estate	28,006	18,414	+ 9,682
Mortgages .	13,438	6,216	+ 7,222
Premises ..	5,482,352	5,616,010	— 133,658
	$70,987,697	$66,309,990	+$4,677,707
Tot. assets.	$92,866,692	$87,475,126	+$5,391,566
Liabilities to Public.			
Circulation	$ 7,118,232	$ 4,995,666	+$2,122,566
Dem. dep. .	13,282,792	12,604,373	+ 678,419
Savings dep	57,190,822	53,361,225	+ 3,829,597
Due bansk .	196,715	579,855	— 383,140
Due else. ..	787,557	878,361	— 90,804
Acceptances	307,047	1,215,563	— 908,516
Bills pay'e.	138,912	47,352	+ 91,560
Other liab..	300,233	267,241	+ 82,992
	$79,322,310	$73,949,636	+$5,372,674
Liabilities to Shareholders.			
Capital	$ 6,000,000	$ 6,000,000	$........
Reserve ...	7,000,000	7,000,000	....
Dividends .	180,940	181,049	— 109
Balance ..	363,442	344,440	+ 19,002
	$13,544,382	$13,525,489	+$ 18,893
Total liab..	$92,866,692	$87,475,126	+$5,391566

Explanation of Earnings.

Profits for the year, after deducting charges of management and making full provision for bad and doubtful debts, amounted to $969,065, as compared with $870,966 in the previous year. Net profits were reported at $893,502, against $805,122. However, in order to make comparisons with earlier years and to put these figures on a par with those of other banks some explanations are necessary. In reaching the net profits there were introduced in the last two reports two new items which were deducted from earnings. These were the Dominion Government war tax on circulation and taxes paid to Provincial Governments. In the last report the amounts were $54,112 and $21,450 respectively. The majority of the bank statements indicate that the provincial taxes were deducted before the net profits were brought down, but that the circulation tax was deducted later. For this reason, in order to put the Dominion on a par with the other banks, the circulation tax should be added to the net figures. At the same time, there is sound contention on the part of the bank that this tax has to be paid, and that by deducting it before net profits are brought down there is an amount shown which is at the disposal of the directors to distribute. The following table has been prepared to illustrate the point referred to:

	1916.	1915.	1914.
Profits	$ 969,065	$ 870,966	....
Provin. Taxes.	21,450	22,225	....
	$947,615	$848,741	....
Circul'tion Tax	54,112	43,618	....
Net	$893,502	$805,123	$925,365
Balance for'wd	344,439	284,316	647,688
	$1,313,504	$1,155,282	$1,573,053
*Deductions ..	$950,062	$810,843	$1,288,737
Balance	363,442	344,439	284,316
	$1,313,504	$1,155,282	$1,573,053

* Deductions include dividends, contributions to war funds and to pension fund and $100,000 written off bank premises.

In preparing the bank's record of earnings, THE POST has only deducted the provincial taxes referred to, and not the circulation tax, in order that the figures may be placed on a par with the other large banks.

	Profits	Div.	% on Capital	% on Invs't
†1916	$947,615	12	15.8	7.1
†1915	848,741	12	14.1	6.4
1914	925,364	12+2	15.5	6.9
1913	950,402	12+2	17.6	1.1
1912	901,529	12+2	17.8	...
1911	704,405	12	16.5	...
1910	659,300	12	16.4	...
1909	620,927	12	15.5	...
1908	641,318	12	16.2	...
1907	635,235	12	17.7	...
1906	539,360	12	17.9	...
1905	490,495	10	16.3	...
1904	459,670	10	15.3	...

* On shareholders funds—capital, reserve and balance brought forward at the beginning of year.

† War tax on circulation not deducted.

MIDLAND LOAN.

Net Profits Very Slightly Reduced—Substantial Surplus.

The annual report — the forty-fourth— of the Midland Loan and Savings Company, for the year ending December 31, indicates that the abnormal conditions prevailing have had some slight effect upon net profits which stand at $42,043, as compared with $43,890 in the last statement, and $42,957 for the 1914 period. At the same time, it is evident that the operations of the company have been generally satisfactory. The president, William Henwood, comments that interest payments were in excess of any previous year. The net figures are given after deducting interest paid and reserved on deposits and debentures, cost of management, taxes, amounts written off, etc. Comparative figures follow:—

	1916.	1915.	1914
Net profit	$42,043	$43,890	$42,957
Bal. forward	15,731	10,641	6,484
	$57,774	$54,531	$49,441
Dividends	28,800	28,800	28,800
Reserve	10,000	10,000	10,000
Bal. forward	18,974	15,731	10,641
	$57,774	$54,531	$49,441

The progress of the company during the past five years is indicated by the following:—

Year	Paid-up capital	Profit	Div.	% age. profits to-av. cap.	Earn. raet
1912	$360,000	$39,610	7½	11.0	7.0
1913	360,000	39,016	8	10.8	6.8
1914	360,000	42,957	8	11.9	7.2
1915	360,000	43,890	8	12.2	7.1
1916	360,000	42,043	8	11.6	6.8

The balance sheet shows that liabilities to the public have been reduced from $874,972 to $855,782, deposits having declined from $371,291 to $350,701, while debentures at $505,080 compare with $503,680. In the assets, which stand at $1,510,133, compared with $1,504,173, mortgages have declined from $1,206,283 to $1,108,769, and loans on municipal bonds from $49,050 to $24,450, while investments in Government and municipal bonds have increased from $136,702 to $282,738.

EXAMINING SYSTEM.

Accountants Make Survey of Accounting System of Saskatchewan.

During the month of December, representatives of the accounting firm of Price, Waterhouse & Co., have been engaged in making a complete survey of the accounting system of the Government of Saskatchewan. The same firm recently made a report on the Manitoba system, with the result that several improved methods have been adopted. The new Provincial Treasurer, Hon. C. A. Dunning, is reported to have stated in connection with the matter: "By arranging for this survey we are merely following a well-established business principle, particularly in connection with a rapidly growing business concern, such as the administration of the public business of Saskatchewan really is, and having expert outside opinion on the whole accounting system of the province."

THE MINING, MANUFACTURING AND DEVELOPMENT COMPANY OF CANADA, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 28th day of December, 1916, incorporating Richard H. Holmes and John Gumar Holmes, barristers-at-law, Felicia Pell Holmes and Vera Aloha Forbes, married women, and Archibald William Forbes, doctor of dental surgery, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To carry on the business and operations of mining, milling, smelting, refining, prospecting, developing, and manufacturing of goods, wares and merchandise of every description. To produce, refine, acquire by purchase or otherwise, deal in ores of all kinds, gold, silver, nickle, copper, platinum, tungsten, radium, coal, coke, metals, minerals, and mineral substances of all kinds and products thereof. (b) To own, buy, sell, operate, and deal in lands, leases, options, concessions, and interests therein, which the company may believe to be directly or indirectly to their advantage; (c) To build, acquire, own, charters, wharfs, navigate boats, and vessels of every description, inland, and on the high seas; (d) To own, lease, buy, sell, have, and deal in, all kinds of minerals and timber lands and interests therein, lumber and timber, and the products thereof; (e) To own, lease, buy, sell, operate, water rights, water powers, dams, reservoirs, ditches, electric plants, steam plants, tramways of every description; (f) To buy, sell, own, manufacture, deal in as a whole or in part, goods, wares, and merchandise which the company may believe to be profitable or incidental to the carrying on of their business; (g) To pay out of the funds of the company all or any of the expenses of, or incidental to, the formation and organization thereof and to employ, contract with, and provide for, the remuneration of brokers, commission agents and underwriters upon any issue of shares, bonds, debentures, debenture stock, or securities of the company which the directors may deem expedient; (h) The objects specified in each paragraph hereof shall not in any way limit or confine the powers of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Mining, Manufacturing and Development Company of Canada, Limited," with a capital stock of two hundred thousand dollars, divided into 200,000 shares of one dollar each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 2nd day of January, 1917.

THOMAS MULVEY,
Under-Secretary of State.

BLUE DIAMOND COAL COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of December, 1916, incorporating Reginald Herbert Montague Temple and Archibald James Reid, barristers-at-law; George Norman Limpricht, William Bowler and Frederick Charles Allen, clerks, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To purchase, lease or otherwise acquire coal fields and coal lands, ore bearing properties, mineral lands, mining locations, mining and surface rights, timber limits, wood lands, and timber lands, oil fields and privileges, natural gas lands and properties, water lots, water powers and privileges and other rights, privileges, easements and licenses; (b) To lay out, construct, purchase, lease or otherwise acquire, maintain, operate and manage: (1) mines of coal, iron or other minerals whatsoever; oil wells and wells of natural gas, or any products or by-products of any of them, mining structures, plant mills, pipe lines, buildings, machinery and appliances of every description; (2) power houses, structures, plant and equipment for the development, generation, transmission or utilization of water, steam, gas, electric or other powers and structures and plant for any form of heating and lighting; provided, however, that the sale, transmission or distribution of electric, pneumatic, hydraulic or other power or force beyond the lands of the company shall be subject to local and municipal regulations in that behalf; (3) steamships and vessels, piers, docks, drydocks, wharves, slips, basins and all incidental structures and appliances; (4) bridges, roads, tramways on lands owned or controlled by the company, aerial carriers, rails and ways of every description, yards and tracks for the storage or handling of any of the company's products or for the delivery thereof to adjacent railways; and (5) offices, stores, shops, grain elevators, hotels, boarding houses, dwellings, workmen's houses, restaurants and buildings of every description; (c) To purchase, sell and deal in any manufactures, products or by-products of the works hereinbefore specified, or any commodities, merchandise or manufactures which may be conveniently handled therewith, and are germane to the objects herein specified; (d) To purchase, acquire, sell and deal in any exclusive rights, patent rights, privileges or licenses in connection with the business of the company; (e) To guarantee any indebtedness, whether bonded or otherwise, of any company with which the company may have business relations and authorized to conduct any business within or similar to the powers of the company; (f) To issue and allot, as fully paid up, shares of the company hereby incorporated in payment or part payment for any property, movable or immovable, property rights, lease, business, franchise, undertaking, powers, privileges, licenses, concession, stock, bonds and debentures, or other assets or things which it may lawfully acquire by virtue of the powers hereby granted, or to pay for same or any part thereof in bonds, debentures or other securities of this company, and with the approval of the shareholders, for services rendered to the company; (g) To acquire the stock, securities or undertaking of any other company having for one of its objects the exercise of any of the powers of the company, or to transfer its undertaking or assets to, or to amalgamate with any such company; (h) To enter into partnership or into any arrangement for sharing profits or union of interests, co-operation, joint adventure, reciprocal concessions, or otherwise, or to amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to engage in or carry on, and to lend money to and act as employer, agent or manager of any such person or company, and to carry on the business of and to guarantee the contracts of or to otherwise assist any such person or company or any customers and to guarantee the securities issued or to be issued either conditionally or upon any condition, the bonds, debentures or other securities of any such company, and to take, hold, or otherwise acquire shares and securities of any such company notwithstanding the provisions of section 44 of the said Act, and to To distribute among the shareholders of the company in kind any property of the company, and in particular any shares, bonds, debentures or other securities belonging to the company or which the company may have power to dispose of; (j) To acquire by purchase or otherwise, hold, sell and deal in the business, assets, good-will, and securities of any other company having for one of its objects the exercise of any of the powers of the company, or carrying on any business capable of being conducted so as to benefit the company, and to promote or assist in promoting any such other company or any subsidiary company, and to pay out of the funds of the company the costs and expenses of such promotion or assistance. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Blue Diamond Coal Company, Limited," with a capital stock of one million five hundred thousand dollars, divided into 15,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 26th day of December, 1916.

THOMAS MULVEY,
Under-Secretary of State

THE MINISTER OF FINANCE
REQUESTS
THE PEOPLE OF CANADA TO
BEGIN NOW
TO SAVE MONEY FOR THE
NEXT WAR LOAN

JAN. 9, 1917

DEPARTMENT OF FINANCE
OTTAWA

KOPS BROTHERS, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies. Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 12th day of January, 1917, incorporating James Frederick Edgar, barrister-at-law; Lily Mae Lewis, stenographer, and Norman Robert Tyndall, draftsman, of the City of Toronto, in the Province of Ontario; James Edward Maybee, of the Village of Port Credit, in the said Province of Ontario, patent solicitor and George Patrick Mackie, of Birch Cliff Post Office, in the said Province of Ontario, bookkeeper, for the following purposes, viz.:—(a) To carry on the business of manufacturing, buying, selling and dealing in corsets and wearing apparel in Canada and elsewhere; (b) To manufacture, buy, sell and deal in goods, and merchandise and materials used for the purpose of manufacturing corsets and wearing apparel; (c) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (d) To acquire or undertake the whole or any part of the business, good-will, trade marks, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (e) To apply for, purchase or otherwise acquire, any patents, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (f) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (g) To take, or otherwise acquire and hold, shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (h) To enter into any arrangements with any authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (i) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependants or connections, of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (j) To promote any company or companies for the purpose of acquiring all of any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (k) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant, stock-in-trade; (l) To construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches, or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof; (m) To lend money to customers and others having dealings with the company, and to guarantee the performance of contracts by any such persons; (n) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants, and other negotiable or transferable instruments; (o) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company, having objects altogether or in part similar to those of the company; (p) To adopt such means of making known the products of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (q) To sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (r) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (s) To do all such other things as are incidental or conducive to the attainment of the above objects; (t) To apply for, secure, acquire by assignment, transfer, purchase, or otherwise, and to exercise, carry out and enjoy any charter, license, power, authority, franchise, concession, rights or privilege, which any government or authority or any corporation or other public body may be empowered to grant and to pay for, aid in and contribute towards carrying the same into effect, and to appropriate any of the company's shares, bonds, and assets to defray the necessary costs, charges and expenses thereof; (u) To procure the company to be registered and recognized in any foreign country and to designate persons therein according to the laws of such foreign country to represent this company and to accept service for and on behalf of the company of any process or suit; (v) To raise and assist in raising money for, and to aid by way of bonus, loan, promise, endorsement, guarantee of bonds, debentures or other securities or otherwise, any other company or corporation and to guarantee the performance of contracts by any such company, corporation, or by any other person or persons with whom the company may have business relations. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Kops Brothers, Limited," with a capital stock of forty thousand dollars, divided into 400 shares of one hundred dollars each, an the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 16th day of January, 1917.

THOMAS MULVEY,
Under-Secretary of State.

THE TRUSTS BUILDINGS, LIMITED.
(Corrected Notice.)

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 23rd day of September, 1916, incorporating John Craig Stewart, barrister-at-law, Reginald Lancaster Pattison and William George Ryan, oil and gas operators, and Bessie Evelyn Daniels and Grace Alberta Jackson, stenographers, all of the City of Chatham, in the Province of Ontario, for the following purposes, viz.:—(a) To acquire by purchase, lease, exchange or otherwise, land, buildings and hereditaments of any tenure or description and any estate or interest therein and to turn the same to account as may seem expedient and to sell, lease, exchange or otherwise encumber or dispose of, upon such terms as may seem desirable, the whole or any portion of such lands or other assets and all or any of the buildings or structures that are now or may hereafter be erected thereon; (b) To prepare building sites and to construct, reconstruct, alter, improve, own, operate, decorate, furnish and maintain offices, apartments, flats, houses, factories, warehouses, shops, gravel or sand pits, clay or mineral deposits, sewer or other underground works, pavements, buildings, works and conveniences of all kinds on any such lands or on lands owned by others and to consolidate, connect or subdivide properties or to act as agents for others in any of the foregoing matters; (c) To take and hold mortgages for any unpaid balance of the purchase money on any of the lands, buildings or structures so sold and to sell or otherwise dispose of the said mortgages; (d) To purchase for investment or as agent for others to acquire, exchange or otherwise deal in shares, stocks, debentures and bonds of other corporations carrying on a business in whole or in part similar to that of the company, and to invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined: (e) To lend money to customers and others having dealings with the company and to guarantee and otherwise assist in the performance of contracts or mortgages of persons, firms or corporations with which the company may have dealings and to assume and take over such mortgages or contracts on default; (f) To quarry, manufacture, deal in and sell all kinds of stone; (g) To manufacture, deal in and sell all kinds of lumber, brick, cement and building materials; (h) To manufacture, purchase, or otherwise acquire, hold, own, sell, assign, transfer, invest, trade and deal in, contractors' supplies and appliances, of every class and description; (i) To manufacture, purchase, lease or otherwise acquire machinery and any and all apparatus and tools necessary or useful in connection with the business of the company, and to sell, lease or otherwise dispose of the same; (j) To amalgamate with any other company having objects altogether or in part similar to those of this company; (k) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (l) To acquire or undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purposes of the company; (m) To apply for, purchase or otherwise acquire any patents, licenses, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired; (n) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (o) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (p) To enter into any arrangements with any authorities, municipal, local or otherwise, that may seem conducive to the company's objects, or any of them, and to obtain from any such authority any rights, privileges and concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions; (q) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object; (r) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of the company, or for any other purpose, which may seem directly or indirectly calculated to benefit the company; (s) Subject to section 5 of The Companies Act. R.S.C., 1906, chapter 79, to construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof; (t) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; (u) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (v) To obtain any provisional order or Act of Parliament to enable the company to carry any of its business into effect or for effecting any modification of the company's constitution or for any other purpose which may seem expedient, and to oppose any proceeding or application which may seem calculated directly or indirectly to prejudice the company's interests, and to procure the company to be registered or recognized in any foreign country or place; (w) To adopt such means of making known the undertakings of the company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations; (x) To do all or any of the above things as principals, agents, contractors or otherwise, and either alone or in conjunction with others; (y) To do all such other things as are incidental or conducive to the attainment of the above objects. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The Trusts Buildings, Limited," with a capital stock of two hundred and fifty thousand dollars, divided into 2,500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 26th day of September, 1916.

THOMAS MULVEY,
Under-Secretary of State.

THE FINANCIAL POST
OF CANADA

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

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Single insertion	$ 1.50 per inch
Yearly insertion	40.00 per inch
Financial Reports, Prospectuses, etc., 15 cents per agate line.	

SUBSCRIPTION PRICE:

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Great Britain, Ireland and Colonies having minimum postal rates	12s. 6d.
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President, - - - - JOHN BAYNE MACLEAN
Manager, - - - - - - R. G. DINGMAN

MONTREAL, 701-702 Eastern Townships Bank Bldg., A. B. Caswell; WINNIPEG, 22 Royal Bank Bldg., C. W. Byers; BOSTON, 733 Old South Bldg., C. L. Morton; NEW YORK, 115 Broadway, R. B. Huestis; CHICAGO, 1104-7 Fort Dearborn Bldg., A. H. Byrne; GREAT BRITAIN—London, The Maclean Co., of Great Britain, Ltd., 88 Fleet St., E.C., E. J Dodd, Director.

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Toronto, January 27, 1917.

OUR RUSSIAN-JAPANESE RELATIONS.

HON. MR. PUGSLEY has brought up in the House of Commons, the question of our possible relations with Russia and Japan. We have no idea what object he has in view, but if it leads to an intelligent discussion on this subject it cannot but be valuable.

Little practical thought has been given in this country to the broader after-the-war problems and Russia-Japan relations are among the most important.

THE FINANCIAL POST has, several times, since the war broke out, hinted at possible developments. It has been inadvisable and perhaps the time has not yet arrived, when those in Canada, who have fears for the future, may express them. Grey's British diplomacy has offended Japan and weakened us in Russia. Can we maintain friendly relations with these countries which are destined to be our greatest competitors in manufacturing and agricultural products. Our chief hope now is in Lloyd George but he may be too late.

At the moment we can but repeat what we said in October, 1914, and several times since that the voice of Canada must be heard—and very firmly—in the final settlements of the great international questions arising out of the war, and particularly those of the Pacific Ocean.

HANDICAPPING US IN THE STATES.

THE Department of Immigration and Colonization announces that it has completed arrangements to send five agents to the United States to obtain farm laborers and it is expected that in the spring there will be a great shortage of help in Canada.

Our representatives working in the States in the past have usually received a fairly cordial reception. They had some opposition from agents representing land companies in other parts of the United States. This year, however, when we need labor most, we fear they will find quite serious opposition, and all because of the shortsightedness and lack of common sense on the part of our Post Office authorities in shutting out the Hearst papers from Canada.

We said at the time:—

> "The Hearst newspapers have practically no circulation throughout Canada. Some of the newsboys in the border cities carry them for the benefit of American travelers. On the other hand, they are read by millions in the United States. They are sensational, but unusually well edited. The chief writer, Arthur Brisbane, is reputed to have a salary of $100,000. Their financial and business articles are among the ablest on the continent. The Hearst group of publications are undoubtedly the most powerful in the United States. They have been unfair to Canada and to the Empire. On the other hand they have paid for and published the work of some of the best British writers, presenting our side of the war situation.
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> "As we have several times pointed out in these columns it is very important for Canada at present, and particularly in the future, to be fairly, if not cordially, presented to the people of the United States. Since the war the great majority of the people and the press of the United States, are far more friendly to us than we had ever dared to hope. If the Hearst papers have been unfair, they have, at least, not been persistently antagonistic, but, this is where the short-sighted policy of our Deputy Postmaster General is likely to place them.
>
> "We need United States friendship at present and we particularly need, in the future, their money to build up our towns and industries, and we want their citizens to settle on our vacant land. This is also to their advantage, because no matter how high the tariffs we will trade increasingly together. Then there are certain international problems, of the greatest importance, in which, it appears to us, Canada and the United States will have to work together.

As we pointed out, the short-sighted policy of our Post Office Department in shutting out the Hearst papers had the effect of making them antagonistic. They immediately began a campaign against Canada and called upon the United States Government to forbid the work carried on by Canadian agents to secure laborers and settlers.

A couple of weeks later we quoted the opinion of one of the most influential pro-ally politicians in the United States, to the effect that the Canadian Post Office Department had shown extremely bad judgment in this matter and further that British officials have usually done the wrong thing when dealing with United States sentiment.

Matters of this kind should in future be referred to our Department of Foreign Affairs.

FINANCIERS AND WILSON.

NEW YORK financiers—at least those who have expressed themselves to the *Wall Street Journal*—use caustic remarks in their views upon the Wilson peace messages. Bond brokers, railroad officials and bankers, whose opinions may be taken as representative of the larger business interests of the republic, are strong in their resentment of the president's attitude. The interference it is felt should suit Germany for she has everything to gain and nothing to lose with the peace talk kept open and the German terms undisclosed. The failure to recognize the moral questions involved is a disappointment. The Allies are expected to politely inform Mr. Wilson to mind his own business. Probably the most pointed criticism is that of a banker who refers to the Monroe doctrine and says:—

> "If Mr. Wilson's doctrine of the freedom of the seas had obtained during the Civil War, the Southern Confederacy would be in existence to-day. There has always been sufficient freedom in times of peace, and the embarrassments and delays caused by the Allied blockade of the Ceneral Powers have been trifling in comparison with the enormous profits made out of ocean freights. I agree with the late Admiral Mahan that the Monroe Doctrine is based upon force and that force is the British Navy. We, of all people, should be the least ready to demand its reduction, after what it has done."

THE HYDRO MENACE.

HOWEVER easily Sir Adam Beck may be able to hypnotize the ratepayers of Ontario to support his ill-judged Hydro-Electric projects by the alluring magic of "public ownership," it is evident that investors will form their own conclusions as to the soundness of his schemes and the justice of his attitude towards private interests. The London financial press, which is an important influence in shaping the policy of the British investor seeking foreign fields for his funds, is strong in its condemnation of what is referred to as the "Ontario Power Scandal." The situation, says *The Financier*, is fraught with grave injustice to undertakings which were established with the aid of British capital. This journal prints the following from a Toronto correspondent in reference to the attitude of the commission:—

> "The electric interests are in the hands of the Philistines and may be expropriated at any time, as the Hydro-Electric Commission made the power so cheap as to create a false demand, which the means are lacking to supply. Unfortunately, some of the power is needed for the making of munitions, and this lends a fictitious strength to proposals for more power and for the right to take it wherever it can be found.
>
> "In the cases of the private corporations they built duplicate transmission lines and reserve steam plants in order to meet the increasing demand; but the Commission could not do this, for the very simple reason that the cost of it would have prevented the sale of power at the low prices that attracted the public and would have taken away from Sir Adam Beck the popularity he enjoys and the political power it has given him. The situation is, indeed, serious."

THE FUTURE OF PAPER.

THE war—and attendant conditions—has given to the Canadian pulp and paper trade that impetus which was required to put this country in a very strong position in world markets. This impetus, resulting in a great development of output, should carry the industry through many of the adjustments which will take place with the end of the war. This should particularly be the case because the outlook is for a contiuation of comparatively high ocean freights for an indefinite period, which should act as a check against European competition in America even should it cut off the export business being developed in other markets. At the same time investors should develop caution in regard to the present boom in pulp and paper securities. There is always a tendency to carry such movements to unhealthy levels and an opportunity is thus afforded for the flotation—with the public's money—of enterprises which principally benefit the promoters. Even the more conservative propositions may be carried above their actual value by a market movement swept on by a wave of optimism and speculation.

It remains to be seen what part Europe may again be able to play in the world market when normal shipping conditions return. There are reports that Sweden and Norway have vast accumulations of pulp wood products awaiting a chance to market them in a normal manner. At the same time these countries are increasing their shipping facilities in a manner which indicates that they will become aggressive competitors in water borne commerce and will be in a position to market their own products to advantage. Then there is another potential competitor—Russia. The future alone can reveal what the development of the resources of that little-known country may mean, but it is safe to assume that there will be development after a war which has served to arouse a nation, fabulously rich, in respect to natural resources. Significant is an article which recently appeared in the Russian section of the London *Times* regarding progress on the construction of the new Murman Railway. In connection with the project, the vice-minister of agriculture, makes a statement respecting the resources of the region to be opened up in which special reference is made to wood pulp:—

> The vast timber areas (yew and pine) stretch for hundreds of square versts. These forest resources have been utilized to an insignificant extent. The northern governments abound in mountain streams, which, with their considerable incline, provide a multitude of waterfalls to be utilized for power for sawmills and woodworking factories. There are sawmills at Keret and some other settlements, but their number is very small. The extensive system of rivers and streams also affords opportunity to adopt the cheapest method of transporting timber—rafting it along these waterways. There is projected the construction of other more improved means of communication, which will also be of service to the timber industry. The Department of Agriculture proposes to afford the widest access to the exploitation of the timber resources for the production of both lumber and wood pulp.

Looking to the future then we see the possibility of the development of a great European competitor. That development may not be rapid but Canada's pulp wood resources are not inexhaustible. To insure our supply of raw material demands a policy which will protect standing timber against the ravages of such fires as have been experienced in Northern Ontario and the replanting of the vast areas which have been cut or burned over. These lands have small value from an agricultural standpoint and to use them to conserve our pulp wood supply would represent but little in the way of overhead. Some of the private companies are following a far-sighted policy in this connection in reforesting cut-over areas but to insure the future of one of our most important national industries demands a broad practical program on the part of provincial and Dominion governments.

EDITORIAL NOTES.

INCLUDING the loss of the cruiser Milwaukee, the United States Navy has sustained losses during the past year of $11,000,000. Which may be advanced as one argument why the United States does not think it necessary to go to war.

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THAT the British people in their conduct of the war are giving a superb demonstration of the advantages of political liberty and of a high valuation of truth in all human relations is the opinion of Charles W. Eliot, President Emeritus of Harvard University.

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J. D. FARRELL, president of the O. W. R. & N. Co., expresses the opinion that the statesmen of Canada and the United States are acting like a lot of lunatics in not stopping the slaughter of heifers and heifer calves and cows.

A. C. BEDFORD—A MAN OF WORK

Story of the Rise of the New President of the Standard Oil Company.

Alfred Cotton Bedford, the newly elected president of the Sandard Oil Company, who until his elevation to the great corporation's highest office was vice-president and treasurer, is one of those who in his fight for success never found any substitute for hard work. Small of stature, kinetic in movement, his capacity for work has never been plumbed; he is possessed of one of those brains which seem to haul their owners to the very top of things. He is fifty-two years old and is a cousin of E. T. Bedford, one of the original Standard Oil partners. However, the latter is no explanation of his rise, as will be found from the following review of his career:

Starting his business career as a dry goods clerk for E. S Jaffray & Co., he worked there nine months. For no greater wages, but that he might have a bigger field, he entered the employ of the Bergenport Chemical Company—a subsidiary of the Standard Oil Company—April 9, 1882. He was only eighteen then, and they put him to work in the manufacturing department at a salary which wouldn't fetch a good pair of shoes nowadays.

He was a student then, as he is now; by then his studies were of small things, such as his job. To-day his studies are proportionate but he is still digging. He is as taciturn as was his mentor, the late John D. Archbold, whom he succeeds, but he is courteous to the point of affability.

He is not unlike Mr. Archbold in a number of characteristics. He is an earnest church worker, a tireless coach of character building, almost phlegmatic of temperament, a crusader against physical excesses and utterly courageous when his own decisions and convictions are at stake.

Mr. Bedford's rise was not meteoric. He was lost in the ranks of the Standard Oil army until about ten years ago, when Wall Street became aware that there was a new face among the seventy Standard Oil officials who daily took lunch at the "head table" on the fifteenth floor of No. 26 Broadway. The newcomer was never heard to speak, but he was a great listener.

The seed he sowed those obscure years produced their first crop of attainment in January, 1907, when he was elected to the board of trustees of the Standard Oil Company of New Jersey. On January 20, 1910, he became treasurer of the company. Subsequently he became one of the vice-presidents, retaining his treasurership.

For the past year he has discharged the duties of president of the company, Mr. Archbold being inactive. But lest wasted minutes combine to reproach him in his years of retrospection, he devoted whatever hours the Standard Oil Company did not claim to a dozen other corporations—not mere seats in the board of directors, either.

He became general manager of Charles Pratt & Co., director and treasurer of the Long Island Railroad Company, secretary of the Chio River Railroad Company, president of the Portland (Ore.) General Electric Company, president of the Pratt & Lambert Varnish Company, president of the Self-Winding Clock Company and so on.

He was born in Brooklyn, November 5, 1864. His father, Alfred Bedford, deceased, was for many years the European representative of the American Waltham Watch Company. The new president of the Standard Oil Company of New Jersey, received his earlier education in Adelphi College, Brooklyn. Then his father took him to Europe, where he studied in England, Germany and Switzerland.

On January 8, 1910, he married Edith Kinsman Clarke, of Brooklyn. He has two sons—Alfred Clarke Bedford and Dean Bedford. Mr. Bedford lives at No. 410 Clinton avenue, Brooklyn; is president of the board of trustees of the Emanuel Baptist Church of Brooklyn and chairman of the Central Board of the Brooklyn Y. M. C. A. He shows an active interest in the educational work of the Pratt Institute.

He is a member of the Metropolitan Club, Downtown Association, Bankers' Club, Riding and Driving, Rembrandt, Twentieth Century, Piping Rock, Locust Valley, Nassau Country Club and the Duquesne Club of Pittsburgh.

CANADIAN OPINION OF U. S. ACT

Sir Edmund Walker Thinks Attitude Taken as Regards Allied Financing a Narrow One.

More than any other development, the action of the Federal Reserve Board in frowning upon the proposal of Britain to float an issue of treasury bills in the United States has served to attract the attention of other countries to the Federal Reserve Bank system, its operation and its influence. In view of the fact that the new system is said to embody some of the fundamental principles upon which Canadian banking has been developed to its present healthy and strong position, it is interesting to note what the heads of our own banking institutions may think of the new American system, particularly in relation to the financing of war business. Sir Edmund Walker, in a recent discussion of the matter, expressed the opinion that the American method of financing the munitions and foodstuffs business of the Allies was narrow and that the Federal Reserve Bank system was not likely to prove satisfactory without some substantial modification or alteration. He told the Wall Street Journal that the American financial system should be broader. Canadian bankers were lending every cent they could against all the munitions orders that could be handled in the Dominion. The United States could similarly lend, say, $500,000,000 annually against her munitions business. In this connection he said:

> "The United States is the great dispenser of credit and the biggest manufacturer, but she insists upon having gold or collateral for loans. The Anglo-French loan was a sort of special transaction to stabilize foreign exchange. England was anxious too to help France. But you see the result. The bonds have gone down.
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> "At no time, least of all now, would I want to appear as offering unfavorable comment upon your new currency system. It probably will 'make good' with some changes. It would be a national disaster unless such remedial legislation were passed as may prove necessary to enable it to perform its functions fully and freely. I think that in the attempt to frame an entirely new banking act for a nation of 100,000,000 people, and such active people, difficulties must creep in and they will call for the most careful thought of statesmen as well as bankers and business men. It might be well to have a permanent non-partisan board or other governmental agency of experts make a special and continuous study of the shifting conditions and needs. The Federal Reserve Board is no doubt an able body, but Congress is master. Of course, there should be no politics in banking."

As to the future Sir Edmund expresses the opinion that Canada's part in the war will be reflected in a demand for Canadian products by the Allied nations and there is a hint of tariff regulations as a factor in this connection in his reference to possible advantages to American manufacturers by establishing plants in Canada. He says:

> "I think that 'Canada' will be a name to conjure with after the war in some foreign countries, including Russia, on account of the Canadian sacrifices in the war and for it. Canada has the same place in the sun, but the sun will shine more brightly upon her. In fact, Canada's hour is near. It may be well for American exporters to consider this fact, not merely for the opportunity of getting Canadian trade in the future, but also for facilitating their efforts to capture trade of the allied nations.
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> "In the past many big American concerns have established branches in Canada for various reasons, generally to secure British trade. There is no feeling in Canada as to whether a plant is started here by Canadian, English or American capitalists and manufacturers, so long as the new concern is duly chartered as a Canadian enterprise and uses Canadian materials and labor.
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> "We like to see such institutions as the International Harvester and the Quaker Oats over here, but the nickel industry is somewhat different, as it employs very little Canadian labor."

PERSONAL

F. J. CASTLE, for the past twelve years connected with one of the leading Canadian life companies in Western Canada, has linked up with the Monarch Life Assurance Co., Winnipeg.

JAMES A. FARREL, president of the United States Steel Corporation, estimates that not more than 25 per cent. of last year's steel exports were for use in the manufacture of munitions. The final returns, he says will show that shipments of steel and iron abroad during 1916 amounted to more than 6,000,000 tons, a total practically double the exports of any previous year.

WILLIAM K. VANDERBILT, and others have incorporated the Official Government Pictures, Inc., in the Supreme Court. Justice Cohalan approved the incorporation. The organization proposes to exhibit until the end of the war and for one year after its close the official war pictures of the British in France. The funds are to be used for the benefit of the American Field Ambulance Service and the British War Relief work.

GEORGE LYNCH-STAUNTON, K.C., of Hamilton, appointed to take one of the vacant seats in the Canadian Senate is one of the leaders of the Ontario Bar and has a wide reputation as a corporation counsel. He came prominently into the public eye in Canada generally on account of his work and association with F. T. Gutelius in preparing the report in connection with the National Transcontinental Railway which caused heated discussion in the House of Commons three sessions ago.

SIR WILLIAM PRICE, who has recently been made a director of the Wayagamack Pulp and Paper Company, is a prominent figure in the lumber and paper trade in the Province of Quebec. He is president nad managing director of Price Brothers Company; president, Jonquiere Pulp Company; president, Metis Lumber Company, president, A. Gravel Lumber Company and has wide financial interests, being honorary president of the Union Bank of Canada. Born at Talfa, Chili, South America, in 1867 he was educated in England and entered the firm of Price Brothers Company at Quebec in 1886. In 1899, on the death of Hon. E. J. Price, he became sole partner of the concern.

J. P. MORGAN, the present head of the great Morgan banking house, and son of the founder thereof, is now generally regarded as a bigger figure in world finance than his father. The recent successful flotation of the $250,000,000 British loan is but another tribute to the resources of Mr. Morgan and his associates, who since the war began have floated well over $1,000,000,000 of foreign bonds, the proceeds of which have been kept in the United States. As an international financial figure Mr. Morgan has had a remarkable experience in dealing with the great issues which have arisen since the outbreak of the war. It is a matter of comment in the highest circles of finance that in doing so he has displayed decision, judgment and courage that have showed his to be pre-eminently the man for the task of helping the Allies in their great crises and at the same time so financing them as to improve trade and credit conditions in the United States.

COL. ALEXANDER M. HAY, whose death occurred last Saturday at Haileybury, Ont., was long an outstanding figure in the Canadian mining industry. Born sixty-one years ago in Scotland, he came to Canada in 1890, and interested himself in copper mining on the north shore of Lake Superior. When the Cobalt boom developed, he transferred his attention to this field, becoming associated with the Trethewey Company, of which he remained president up to the time of his death. He became, in 1915, president of the McIntyre Porcupine Mines, and it was largely through his efforts that this property has been developed and expanded into the splendid producing mine it has become. Col. Hay was a man of sterling character, who won the confidence of those with whom he was associated. He gave a dignity and a standing to an industry that has frequently been the vehicle for much unprincipled manipulation.

COL. W. C. MACDONALD, the victim of the shocking tragedy in the Toronto Union Station last Sunday evening, was for the past few years the active head of the Confederation Life Assurance Company, succeeding his uncle, J. K. Macdonald, now president of the company, as its managing director. He was born in Peel County sixty-one years ago, and came to Toronto as a youth to accept a position in the office of his uncle, who was then as now treasurer of the County of York. His association with I. K. Macdonald continued unbroken down to his death, and the older man placed the greatest reliance on the integrity and good judgment of his talented nephew. As an insurance man, Col. Macdonald was regarded with much respect by other life officers. He was of a most kindly disposition and his circle of friends was large. Apart from his insurance work, Col. Macdonald's interests were largely centred in military affairs. He served with the Queen's Own Rifles through the North-West Rebellion and later helped to organize the 48th Highlanders, of which regiment he became commanding officer. At the time of his death he was serving as a brigadier at Exhibition Camp.

COL. FREDERIC NICHOLLS, who has been appointed by the Dominion government to one of the vacant seats in the senate has for a number of years taken a prominent part in the organization and control of many industrial and financial enterprises. Since the organization of the Toronto Incandescent Electric Light Company he has attracted attention in the industrial field and in 1896 was elected president of the National Electric Light Association of America. Since that time his connection with large enterprises has steadily developed. He is president and general manager, Canadian General Electric Company, president and general manager, Canada Foundry Company; president and general manager, Canadian Allis-Chalmers Ltd.; president, Canadian Sunbeam Lamp Company; president, Toronto and Hamilton Railway Company; vice-president, Canadian Northern Quebec Railway Company; vice-president Electrical Development Company of Ontario, vice-president, Sao Paulo Tramway, Light and Power Company; vice-president, Steel and Radiation, Ltd.; vice-president, Toronto and Niagara Power Company; vice-president, Toronto Power Company; vice-president, Toronto Railway Company; vice-president, York Radial Railway Company and a director of British America Assurance Company, Canadian Northern Railway Company, Canadian Lake and Ocean Navigation Company, Dominion Steel Corporation, Dominion Iron and Steel Company, Imperial Rolling Stock Company; Niagara, St. Catharines and Toronto Railway Company; Toronto Electric Light Company, Toronto Suburban Railway Company, Toronto and Mimico Electric Railway, Western Assurance Company and London Electric Company. In addition to his activities in connection with the large number of corporations referred to Col. Nicholls has played a prominent part in the affairs of the Canadian Manufacturers Association of which he was secretary for seven years and in connection with which he founded the "Canadian Manufacturer" which was for a number of years official organ and spokesman of the manufacturing interests.

CURRENT OPINION

AN OPTIMIST ON C.P.R.

(J. D. Farrell, president O. W. R. & N. Co.)

"The stock market gyrations are amusing at this distance. I cannot see why C. P. R. should be so low when its 10 per cent. is safer than the French or English 5's. Its Pacific liners are veritable gold mines. The Empress of Asia went out last voyage with $42,000 in steerage fares alone, and the Empress of Russia had over $50,000 of steerage fares. The travel on these ships between Untied States and Manila is the most amazing of trade developments.

"On the Island of Vancouver there is a harvest ready for cutting that will bring C. P. R. more revenue for the next hundred years than the wheat fields of Kansas will bring the railroads of that State. I mean of course the fir and cedar and spruce. Moreover, the mineral development of British Columbia alone will do miracles for C. P. R. Look at what lumber and Butte are doing for the St. Paul. The building to the coast looked like the maddest of ventures ten years ago. It looked like wrecking a great property but lumber and the copper mines of Butte saved it. And C.P.R. has a whole empire to itself where St. Paul has to divide with the Hill and the U.P. systems."

WE MUST BE MADE TO PAY.

Canadian Finance.

A very considerable part of the daily press is putting the soft pedal upon the growing demand that accumulated capital and more especially large war profits should bear a materially greater share of war costs. It is the more noteworthy therefore that the Canadian financial press for the most part is now calling insistently for a broadly national government that will distribute war burdens in such a way that money-power as well as man-power will carry its due load. Particularly clear-voiced in this regard are The Financial Times, of Montreal, and THE FINANCIAL POST, of Toronto.

Great Britain and Australia, in taking for national use the major part of excess profits during war times, base their taxation upon the margin which war earnings show over and above average annual earnings before the war. Compared with this method, Canada's present plan touches only the fringe of war profits—not to say profiteering—and puts a relatively heavier burden on ordinary business than it does upon concerns that are more directly benefiting from wartime conditions.

Canadian Finance recognizes that not all munitions factories are making big profits. Under the new Munitions Board prices are so materially reduced that it may even be true, as Industrial Canada asserts, that some plants are going to show a net loss instead of profit. But no mere fixing of prices, however carefully, can be sufficient safeguard against profiteering. The Munition Board's prime consideration is to get work done — and it must give a large enough price to secure needed volume of output. A price which is only just sufficient to get smaller concerns to undertake work at all, may conceivably result in the piling up of velvet by concerns more favorably circumstanced. And under wartime necessities, the government is surely called upon to appropriate largely from the aforesaid pile of velvet.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

Steel and Radiation.

Steel and Radiation.—Can you give me any information as to the present market value of the preferred stock of Steel and Radiation.

There have been no recent transactions in the preferred stock of Steel and Radiation, Limited, and THE POST has not been able to obtain any information upon which a reliable valuation of the security could be checked. The stock is on the New York curb and is, therefore, likely to be subject to more or less manipulation. It has also been some time since there has been any trading in the common, but bids at 25 evidently give a fair idea of the market. Generally speaking, a preferred stock paying its dividend at 7 per cent., with the market for the common around 25, might be considered to be worth 65 or 70. However, as previously stated, the proposition must be regarded as a more or less speculative one, the company being a manufacturer of shells and therefore in the war group. The common was run up around 70 when there was an active demand on the New York curb for Canadian munitions stocks. At the present time the concern is working to capacity on shell orders and has been steadily increasing its facilities. It is also reported that the last year saw a considerable improvement in demand for the company's normal product.

National Steel Car.

W. G. H., Oshawa.—Have you any information regarding National Steel Car? What do you think of the preferred stock? Will the company have an optimistic annual report which would lead you to anticipate payment of dividend arrears? Is their business outlook good and profitable?

The steel car business in Canada is in a profitable condition at the present time, especially in the case of Eastern Car Company. There is a heavy demand for rolling stock, but costs of steel and labor are high. The Hamilton company is not as favorably situated for export business as is the Eastern Car Company, nor are its business connections so definite or favorable. Preferred shares have been paid on July 15, October 15, and Jan. 15, but 21 per cent is in arrears. These are times when large orders require a large working capital and the investor should not be too sanguine about the complete payment of arrears in the near future.

GREAT WEST PERMANENT.

H. H. W. Grimsby.—Should value your opinion upon the enclosed circulars re the Great West Permanent Loan Company. They indicate considerable internal trouble with suspicion of sharp practice by both sides. The annual meeting will be held soon and the question is, to which party would you advise that a proxy should be sent?

The affairs of the Great West Permanent Loan Company and associates, the Canada National Fire Insurance and the Imperial Canadian Trust Companies, have been confused to such an extent by the efforts for control by factories led by E. T. Hutchings and the Alexanders that we would recommend you to support any proposal which will lead to a thorough inquiry into the whole situation. In this connection the efforts to find out recent results by an independent and simultaneous audit of the three companies by an independent valuation of their assets appears to be a step likely to bring results. The proposal is that auditors and appraisers be appointed from the shareholders generally and that they work in conjunction with a representative shareholders' committee to be selected at the annual meeting.

The situation has been reviewed at some length on this page and space does not permit dealing with all the complications. In the statements which have been issued by the various interests there has been strong criticism and counter-criticism and the nature of the charges direct and inferred which have been made would seem to warrant a sifting of the whole matter in order that the situation may be satisfactorily cleared up.

Brazilian Traction.

E. W. R., Toronto.—A client of mine is thinking of investing quite extensively in Brazilian Traction and has requested me to write and ask you for your opinion as to this security either for speculation or investment purposes.

In our opinion, Brazilian Traction is a good proposition at the present market provided the buyer is in a position to await developments and, if necessary, to forego dividends for a time. So far as local conditions are concerned, the company has been making a very satisfactory showing and the sole difficulty is in exchange and its effect on the transference of funds from Brazil to Canada. With an improvement in exchange there will undoubtedly be an improvement in the market for the stock. When that improvement will be is another matter. Company officials and bankers are reluctant about expressing an opinion on the question. Since the outbreak of the war, Brazil has been unable to market her products in the usual volume and, while the end of the conflict would no doubt bring an improvement, it does not follow that conditions would return to normal. Recently an effort has been made to develop the frozen meat trade and this should prove a favorable factor, especially if the high prices for food stuff continue. Professional traders are curious as to the source of the recent buying and attribute it to New York interests. In the same connection there is a feeling that reports of the cutting of the dividend have been inspired. Behind this is the theory mentioned last week that the interests referred to are associated with the control of steamship facilities which might later be used to influence exchange. The declaration of the usual dividend recently caused something of a flurry, but little change in the general condition of the stock. Should the directors later decide to defer payment, there would probably be considerable selling by holders who have been depending on their stock for revenue, but the actual value of the shares should not be impaired to any great extent because the accumulating funds would increase in value with any improvement in the exchange situation.

PUBLIC OWNERSHIP AT REVELSTOKE

The Financial Statement Throws Little Light Upon the Actual Operations.

W. A. Gordon, clerk of the city of Revelstoke, B.C., has sent to the FINANCIAL POST a copy of the city's financial statement for the year ending December 31, accompanied by a letter in which he refers to the articles in THE POST dealing with the public ownership and operation of public utilities, stating, "We would be pleased to know of a private company which could supply a town of our population with either light, heat, power or water at the rates that we do."

The statement is one of those of the style so often issued by publicly owned utilities in that it is far from satisfying as to the details. It indicates that from the water and light department there was profit from operations of $17,418, of which $14,366 was "free water and light." Water rates are given at $1.20 and $1.40 net per month for residences; light rates, 10.4c down to 6.4c per kw. net; heat rate, 1.6c per kw. net and power rates 5c per kw. net for first 300 kws, down to ½c per kw. net for large consumers.

The articles to which Mr. Gordon refers having been prepared by Professor Mavor, the report was handed to him. He deals with it as follows:

In my articles the general impression intended to be conveyed is that as a rule a public authority, whether it be national, federal, provincial or municipal, is, owing to its nature as public authority, not fitted for the management of industrial enterprises. This conclusion is derived from a very large number of instances not only in this country but also in Europe and elsewhere. Even if a single case of indisputable success were found it would not affect the general conclusion. Indeed, I drew attention in one of my articles to a case of government operation of a railway which might in some ways be regarded as successful.

I do not know anything of the local conditions at Revelstoke and therefore I am not in a position to pronounce any judgment upon the management of public utilities there. I am of course not interested in any public utility company, and I cannot therefore make any suggestions upon the possibility of the success or otherwise in your city, of a company which might undertake to furnish any public utility.

I do not call in question the good faith of your city council or the accuracy of your financial statement which I observe is vouched for by a firm of chartered accountants. I cannot, however, admit that your statement is sufficiently clear or detailed for any judgment to be formed upon the success or otherwise of the management of the public utilities.

For example in addition to the particulars given by you, it would be necessary to have separately stated the accounts of the light and water departments. It would also be necessary to know the following not merely for one year but during the whole history of the enterprises in question:

1. Capital expenditure upon each public utility.
2. Sinking fund with statement of how it is invested.
3. Rate of interest paid on capital raised.
4. Allowances for depreciation and state of depreciation reserve funds.
5. Provision for insurance against
    a. Accidents to employes.
    b. Fire and storms.
    c. Other contingencies arising out of the nature of the business.
6. Operating expenses.
7. Maintenance do.
8. Amount of taxes which would be levied upon the plant if it were in other than public hands.
9. Rates for private customers for light, power and water.
10. Rates for public lighting of
    a. Streets.
    b. Public buildings.
11. Character of control by city council.
12. Character of the technical management.
13. History of the undertaking from the beginning in respect to
    a. Anticipation and fulfilment.
    b. Changes of system and of personnel of staff.
14. Inspection of plant periodically by competent persons not in the employement of the city government.

I should observe that such study as I have been able to make of your financial statement (it really throws no light whatever upon the points above mentioned) suggests to my mind that the policy which you have adopted in throwing the whole of the cost of the street lighting and of lighting and power in public buildings upon the private users of light and power is wholly indefensible. An opposite and equally indefensible policy is sometimes to be found in the East, viz., benefiting private users by giving them cheap power and light and charging the public exorbitant rates for street lighting. Your policy must necessarily result in a weak sense of responsibility for civic expenditure and in the decline of any general motive among the people for civic economy. This observation is confirmed by the statement of the tax rate at Revelstoke. This is very high and is naturally productive of a considerable mass of arrears. Yet your taxes ought to be still higher in order to include the cost of public lighting which quite unfairly you condemn a special section of your taxpayers, viz., the users of electricity to pay.

From any serious point of view, the expressions **"Surplus, Profit, Free Water and Light,"** which you use several times in your financial statement are inappropriate and misleading. There is no indication as to whether the sinking fund is or is not adequate, there is no provision for depreciation, nor for taxes nor for contingencies of any kind. If the proper charges for these items were included there might not be any **"Surplus"** or **"Profit."** So also water and light are not "free" at Revelstoke or anywhere else. Some one has to pay for them and in Revelstoke the users of light and power pay for the whole of the public service in proportion to their own requirements, and in addition to their payments for these while the taxpayer as taxpayer escapes payment altogether.

I may add that I should be very glad to have a complete set of the reports printed by the city of Revelstoke from the beginning and in any of my writings on the subject in the future I should be most happy to draw attention to any signs of progress towards a sound administration which I might be able to find in them.

TRADE WITH BRITAIN.

Statement of Hamilton Wickes, Who is Going to England.

C. Hamilton Wickes, British trade commissioner in Canada and Newfoundland, who has held office for four years, is leaving shortly for an official tour of the industrial centres of the United Kingdom in order to meet and discuss with British manufacturers the opportunities for the development of trade in Canada. Regarding relations between this country and Great Britain, he makes the following statement:—

I feel there is here a valuable market for the consumption of an increasing quantity of British manufactures and products of the Empire as well as for the consumption in Great Britain and within the Empire of the products of Canadian industry and from the land. Development in British trade, however, has been held up and ascribed to conservatism, to want of enterprise, to lukewarmness, on the part of the Britisher, with an absence of imagination in respect of the great developments that have occurred, and are taking place in this market. The truth, however, should be faced. In my opinion, the Britisher is not as well situated for developing trade in Canada as the Canadian is in England, and this disadvantage is, I am confident, not the wish of Canadians. The disadvantages referred to are not a matter of duties per se or the physical proximity of the United States. They have to do with the following conditions of which the Canadians themselves have frequently complained, and the first four are matters for legislation:

(a) Insolvency and bankruptcy.
(b) Companies and their incorporation.
(c) Trade marks, designs and copyrights.
(d) Tariff anomalies, e.g., the clauses relating to valuation, packages, dumping, and clearance from bond.
(e) The favoring of United States advice in many directions, in particular the advice of architects, engineers, accountants, and contractors.

All these conditions urgently require amelioration in the national interests.

RECLAIMING PAPER.

A Process for De-inking Old News print.

A process for de-inking old news print has been evolved by Dr. Thos. Jesperson, of Neenah, Wis. Dr. Jesperson has invented a solution which successfully removes the ink from old paper and bleaches it a pure white. The ink used in printing newspapers is largely constituted of lamp black and various oils.

Although it has been generally known for years that chlorine would accomplish this de-inking process, no attempts, prior to Dr. Jesperson's experiment, are known to have been made to introduce this system as a commercial factor. About 5,000 tons of news print are consumed daily in the United States in the printing of newspapers. The old papers are generally sold to paper manufacturers as old stock. Every paper mill has a number of girls in its employ who assort the old papers received, and about three tons daily are thrown aside. This cast-off material is now used in the manufacture of cheaper grades of paper, boxboard, etc.

A mill at Neenah has made paper by reducing such cast-off paper to a pulp after it had been bleached. Paper made by this method, using the de-inking substance, has been used by some small country newspapers who report that it is apparently no different from the brand new material. The subject of manufacturing pulp for paper from cotton stalks has come up repeatedly in the past and has been under consideration by chemists in Germany as well as the United States Department of Agriculture.

MABOU MINING COMPANY.

A Project in Which Hope Has Been Long Deferred.

The story of the Mabou Coal Mining Company is one of long hope deferred and almost of a generation of waiting. Two well-known Nova Scotians are financially interested in the concern—Rev. W. M. Fraser, formerly of Halifax, and now of St. Andrew's, N.B., and R. P. Fraser, of New Glasgow. The company's mines have been flooded for several years and for a longer period have been in the hands of the Eastern Trust Company as trustees for the bondholders. The property will be offerred for sale by the trustee on February 15.

Ten years ago, W. P. Deppe, a Philadelphia capitalist, had a charter for a nearby property called the Mabou Gulf and Railway Company, and secured a right of way for the tracks. He proposed a combination of the Mabou Coal Mining Company and bought the property, issuing bonds to a large amount as the chief portion of the payment. But Mr. Deppe never completed the deal and the bond interest became overdue on both properties in 1907, the bonds held by the Messrs. Fraser amounting to $170,000. The Eastern Trust Company, as trustees, bought the property in for $210,000.

It is understood that there will be a purchaser and that the Frasers, while not likely to obtain anything like the amount of the par value of the bonds they hold will net a very substantial sum. The areas embrace about eighteen miles and all these years the leases have been kept alive by payments to the Government, otherwise the Crown would have fallen into possession.

A RUBBER MERGER.

Amalgamation of Four Largest American Companies Rumored.

There have been rumors in American financial circles of a merger of the United States Rubber Company, B. F. Goodrich Company, Goodyear Tire and Rubber Company, and Firestone Company, but so far these lack confirmation. The report has interest in Canada on account of the activities in this country of the Goodyear Company and the United States Rubber Company, which controls the Canadian Consolidated Rubber Company. The *Wall Street Journal* expresses the opinion that it is unlikely that the merger of four such companies would receive the approval of Washington. It would mean an amalgamation of the four largest rubber goods manufacturers in the United States, doing a combined business in excess of $300,000,000 a year. At the same time, it is pointed out that there is basis for belief that some of the largest interests will get together for the purpose of ensuring their supply of raw rubber. This might mean the taking over of some plantation lands in the Far East. The United Rubber Company already has an immense plantation of its own. At a recent meeting of some of the rubber people there was a discussion of a plan for the purchase of plantation land in Ceylon.

For the fourth quarter of 1916, potatoes to the value of $30,342.50 were shipped to Cuba from St. John, N.B., as against $8,330 worth the corresponding quarter of 1915. The exports of fish for the quarter amounted to $4,492, compared with $3,441.50 for the last quarter, 1915.

A DANGEROUS RESERVE AMENDMENT

Wall Street Journal.

Can Congress shift its constitutional power to regulate the value of money to a sub-department of the Treasury? There is good ground for the opinion that it can do no such thing. To a reserve within limits specified by law, there can be no objection. To an amendment that would place no limit whatever on reserve except the will of a sub-department of the Treasury there are objections of the highest constitutional and economic importance. A reserve provision without limits defined by the law itself would, in effect, do away with reserve altogether.

With unrestricted and uncontrolled power to raise the level of what it chooses to call reserve to any point it might see fit, the Federal Reserve Board would cease to be a Federal Reserve Board and become a monetary legislative commission.

How could bankers or merchants deal with confidence under a system which furnished no certain standard whereby the future value of present credits could be approximately ascertained?

The Federal Reserve Board, in the officious advice which it has given in reference to foreign loans, has already shown clearly that it is not certain as to the extent of its own powers even in regard to matters which the law seems expressly to place beyond its jurisdiction. The extent of its powers is not made clear by the Reserve Act; they have not been defined by the courts; Treasury regulations cannot enlarge them; and when exercised they have on occasion of the greatest importance served to dam up the channels of our foreign trade and indirectly to affect our own credit abroad.

In these circumstances to grant to the Board the additional powers it now seeks would be an act of stupendous folly.

HEATON'S ANNUAL.

The thirteenth edition of Heaton's Annual, the commercial handbook of Canada, marks another milestone in the career of a publication which has grown into a position of usefulness and service with many business institutions. There are given complete official directories of the Dominion and Provincial governments, a long list of titled and decorated Canadians, postal information, shippers' guide, banking towns, commercial regulations, customs tariff, etc., in addition to which there is a description of every commercial town in Canada with industries, population and industrial opportunities, together with a summary of the resources of the Dominion.

FACTORY ACCOUNTING.

Factory Accounting is the title under which Frank E. Webner, one of the best known certified public accountants in the United States, has written a volume dealing with the science of industrial accounting published by the La Salle Extension University, Chicago. It deals with recent improvements which have greatly cheapened the process of accounting and supplied many mechanical aids which reduce the labor of collecting costs. In this respect modern system has developed so many changes that many of the recent improvements are no doubt still unknown to many accountants. It is the aim of Mr. Webner's volume to disseminate the newer ideas and its practical value will be better appreciated by those who have consulted his work on Factory Costs — a standard authority for many years. The information given is a practical guide and not merely a reference work for experts, while the style is easy and animated and the explanations lucid and simple.

BANK OF NOVA SCOTIA ESTABLISHED 1832

EIGHTY-FIFTH ANNUAL REPORT

The Bank of Nova Scotia

Capital Paid-Up, $6,500,000 Reserve Fund, $12,000,000

PROFIT AND LOSS

Balance Dec. 31st, 1915	$396,114 99
Net profits for year, losses by bad debts estimated and provided for	1,252,038 96
	$1,648,153 95
Dividends for year at 14%	$910,000 00
War Tax on Circulation to December 30th, 1916	65,000 00
Contributions to Canadian Patriotic, British Red Cross, and Sailor's Relief Funds	38,500 00
Contribution to Officers' Pension Fund	50,000 00
Balance carried forward December 30th, 1916	584,653 95
	$1,648,153 95

RESERVE FUND

Balance December 31st, 1915	$12,000,000 00
Balance forward December 30th, 1916	$12,000,000 00

GENERAL STATEMENT AS AT DECEMBER 30th, 1916

LIABILITIES

Capital Stock paid in		$ 6,500,000 00	
Reserve Fund		12,000,000 00	
Balance of Profits, as per Profit and Loss Account		584,653 95	
Dividends declared and unpaid		228,399 50	
			$19,313,053 45
Notes of the Bank in circulation		7,945,081 48	
Deposits not bearing interest	$21,278,801 64		
Deposits bearing interest, including interest accrued to date	66,546,078 30	87,824,879 94	
		95,769,961 42	
Balances due to other Banks in Canada		201,904 12	
Balances due to Banks and Banking Correspondents in the United Kingdom		17,673 61	
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		759,246 33	
			96,748,785 48
Acceptances under Letters of Credit			559,888 39
			$116,621,727 32

ASSETS

Current Coin	$7,187,031 00
Dominion Notes	10,339,227 25
Notes of other Banks	1,225,083 06
Cheques on other Banks	5,420,061 87
Balances due by Banks and Banking Correspondents in the United Kingdom, and sterling exchange	3,556,059 50
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	3,286,375 77
	31,013,838 45
Deposit in the Central Gold Reserves	2,000,000 00
Dominion and Provincial Government securities, not exceeding market value	3,110,743 20
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	10,569,067 35
Railway and other bonds, debentures and stocks, not exceeding market value	4,767,081 57
Demand loans in Canada secured by grain and other staple commodities	7,793,853 21
Call and demand loans elsewhere than in Canada	7,791,173 57
	67,045,757 35
Call and demand loans in Canada secured by bonds, debentures and stocks	4,519,455 77
	71,565,213 12
Deposit with the Minister of Finance for the purposes of the circulation fund	360,867 09
Loans to governments and municipalities	163,543 41
Other current loans and discounts in Canada (less rebate of interest)	34,930,637 41
Other current loans and discounts elsewhere than in Canada (less rebate of interest)	5,909,211 01
Liabilities of Customers under Letters of Credit, as per contra	559,888 39
Overdue debts, estimated loss provided for	103,089 44
Bank Premises at not more than cost, less amounts written off	2,637,306 66
Real Estate other than Bank Premises	326,250 00
Other assets not included in the foregoing	65,720 79
	$116,621,727 32

CHARLES ARCHIBALD,
Vice-President.

H. A. RICHARDSON,
General Manager.

AUDITORS' CERTIFICATE

We have examined the books and accounts of The Bank of Nova Scotia at its Chief office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets at December 30th, 1916, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief office and at several of the principal Branches of the Bank were verified by us as at the close of business December 30th, 1916, and in addition we visited the Chief office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 30th, 1916, is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

A. B. BRODIE, C.A. } Auditors
D. McK. McCLELLAND, C.A }
of the firm of Price, Waterhouse & Co.

Toronto, Canada, 19th January, 1917.

A. E. AMES & CO.

(Established 1889)

INVESTMENT BANKERS

**Government,
Municipal and Corporation
Bonds and Stocks**

Members Toronto Stock Exchange

PRIVATE WIRE CONNECTIONS:
Montreal New York Boston Philadelphia

Orders Executed on all Principal Exchanges on Commission

53 King Street West, Toronto

MONTREAL OFFICE:
Transportation Building

**Canadian
Government, Municipal
and
Corporation Bonds.**

R. A. DALY & CO.

Bank of Nova Scotia Building
TORONTO.

DEALERS IN

**CANADIAN GOVERNMENT
AND MUNICIPAL BONDS**

Correspondence Invited.

W. A. MACKENZIE & CO.

TORONTO WINNIPEG

H. O'HARA & CO.

Members Toronto Stock Exchange

Stocks and Bonds dealt in on all Exchanges. Municipal, School District, Rural Telephone, etc., Bonds always on hand for investment. Write for particulars and list of offerings.

Royal Bank Building, Toronto

WE OFFER

$4,668 City of Chilliwack, B.C.

6% DEBENTURES

Maturing Nov. 1, 1936. Interest half-yearly

PRICE TO YIELD 6¼%

Investment Bankers **Brent, Noxon & Co.** *Dominion Bank Building*
TORONTO

Investments of January Funds

GOVERNMENT AND MUNICIPAL BONDS.

		Maturing	To Yield
Dominion of Canada (War Loan)..	5%	1913	Price on application
City of Toronto	5%	1926-1940	5%
Province of Saskatchewan	4½%	1919	5.30%
Province of Saskatchewan	4%	1923	5.30%
Town of North Bay	6%	1921-1938	5⅝%
Municipality, Point Grey, B.C.	5%	1953	6%

Full particulars on request.

A. H. MARTENS & COMPANY

(Members Toronto Stock Exchange)
Royal Bank Building - - - - Toronto.
61 Broadway, New York, N.Y. Dime Bank Bldg., Detroit, Mich.

Business Founded in 1795

AMERICAN BANK NOTE COMPANY

(Incorporated by Act of the Parliament of Canada)

BANK NOTES, BONDS, STOCK
CERTIFICATES, CHEQUES AND
OTHER MONETARY DOCUMENTS.

SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES

HEAD OFFICE and WORKS
OTTAWA

Branches:
TORONTO MONTREAL WINNIPEG

Municipal Bond Sales for 1916

COMPILED, REVISED AND TABULATED FROM OFFICIAL REPORTS

¶ A list of original purchasers, price and income basis of the Municipal Bonds sold in 1916, showing purpose, amount, interest rate and maturity of each issue. The names of the borrowing States, Counties, Cities, etc., are arranged alphabetically by States.

PRICE $5.00 PER COPY

THE BOND BUYER

The Authority on Municipal Bonds

25 WEST BROADWAY NEW YORK, N.Y.

NEWS OF THE BOND MARKET

TRANSACTIONS OF PAST WEEK WERE LIMITED

Quebec Sale Yesterday Was the Main Event of a Quiet Seven Days.

NEW ISSUES STILL LIMITED

St. Hyacinthe Sale of Half a Million Was Not Completed, and Other Sales Were Few in Number.

Several issues came up for consideration yesterday, but at time of going to press, no particulars as to the result of the tendering had come to hand. The most important of these issues was that of the city of Quebec. This involved a sum of $780,000. Bond houses were permitted to make alternate bids for either five or ten-year, 5 per cent. gold bonds, dated February 1, 1917, due February 1, 1922 or February 1, 1927, as the case might be. The bonds will be payable either at Quebec, Montreal, or New York, at the option of the holder.

It was generally supposed around the street that the issue would be placed with some American bond house, though several Canadian houses intimated that they would be in the running. The American bond houses are becoming more interested in Canadian issues and are less willing to act in conjunction with Canadian houses. Formerly it was no very difficult matter for a Canadian bond house to link up with one or more United States houses for the purpose of tendering on a domestic issue, but latterly the case has been different.

Brantford Separate School Board also offered an issue of $21,000, 5½ per cent., 25-instalment bonds yesterday, and Huron Township had a small issue on the market. Chatham sold on Thursday several remainders of issues that previously had been offered to local investors.

As for new issues forthcoming, the list is still a slim one. Sandwich South Township has a block of about $9,000 coming out on January 31. Souris, Man., offers an issue of $15,000 on February 5, and the Local Government Board of Saskatchewan has several small lots of school district bonds coming up for sale on February 6.

The Week's Sales.

Galt's small issue of $7,000, 5½ per cent., 30-instalment waterworks debentures was awarded on Tuesday to the Imperial Bank, their price being $7,149. Seven tenders in all were received for the issue, ranging as follows:—

Imperial Bank, Toronto	$7,149.00
G. A. Stimson & Co.	7,141.40
R. C. Matthews & Co.	7,129.00
C. H. Burgess & Co.	7,082.00
Wood, Gundy & Co.	7,077.00
Brent, Noxon & Co.	7,056.00
W. L. McKinnon & Co.	7,043.54

St. Hyacinthe, which offered half a million 5 per cent., 30-year serial bonds on Wednesday, turned down all tenders. The highest offer received was that of the Credit Canada, which put in a bid of 92.10.

The Haldimand County issue of $12,000, 5 per cent., 30-instalment patriotic debentures, up for sale last week, was the subject of some question. The highest offer received was that of R. C. Matthews & Co., who bid 97.50, but the town apparently did not want to agree to certain conditions in the Matthews' tender and awarded the bonds to the next highest bidder.

The city of Chilliwack, B.C., has accepted the offer of Brent, Noxon & Co., for its issue of $4,663, 6 per cent., 20-year debentures, issued on account of local improvements. The price was approximately 95.50.

A purchase of $17,000, 5 per cent., 20-year bonds of the city of Lethbridge, made about the end of the past year, is reported by the Canada Bond Corporation.

The Local Government Board's report of sales for last week was a slim one, only three schools, two telephones, and one village figuring in the list. Authorizations were limited to a single school issue. Compared with last year, offerings from this quarter will be very much less in number this year.

Features of the Week

With but one or two exceptions, Canadian bond dealers report business as very quiet. This is probably due, not so much to a lack of demand, as to a shortage of attractive issues. With Anglo-French bonds at seven per cent. and British one and two-year notes at six per cent., it is pretty hard to sell any Canadian municipals, in the home, market, under about a 5.50 per cent. level. Fresh issues at and above this level will sell, but older goods held and offered at a higher price seem to be sticking. There would appear to be little immediate danger of a drop in prices. After all, the amount of money going into outside war loans is comparatively small, when considered in relation to the rapidly increasing wealth of the country, and there will be sufficient left to provide for the next domestic war loan and such meagre municipal needs as develop

PRICE WAS HIGHER.

Etobicoke Township Sold Its Bonds on a 5.35%, Not 5.95% Basis.

Stephen Barratt, clerk of the Township of Etobicoke, has written the FINANCIAL POST, directing attention to an error in connection with the listing of the recent sale of bonds by the township to G. A. Stimson & Co. THE POST published the correct figures regarding the sale in its news columns, but in placing the amounts in its weekly bond table, made a mistake in figuring out the sale price. This should have been 106.45, instead of 100.64. The yield basis would then have been approximately 5.35 per cent., instead of 5.95 per cent. That a slip was made, must have been so obvious that no bond dealer could possibly have been misled.

SASKATCHEWAN.

Treasury Department Makes Statement Regarding Sale of Bonds.

The Treasury Department of the Province of Saskatchewan, in the last number of the Public Service Monthly, makes an official statement regarding the sale in December of the provincial issue of $500,000 five per cent. bonds. For purposes of record, the information contained in the statement may be reproduced.

The sale was made for the purpose of meeting capital expenditures authorized at the last session of the Legislature. The bonds were purchased by the Harris Trust and Savings Bank of Chicago, at 96.31, or on an income bearing basis of 5.33 per cent. The previous issue, providing for expenditures of like nature, was sold in the States on an income basis of 5.75 per cent., consequently this recent sale is a very good indication of the growing popularity of Saskatchewan securities. The tenders received were as follows:—

Harris Trust and Savings Bank, Chicago	96.31
Wm. Jennings O'Neill, Winnipeg.	96.18
Wood, Gundy & Co., Toronto	95.688
Spitzer, Rorick & Co., Toledo	95.30
Canada Bond Corporation, Toronto	95.22

QUICK WORK.

Saskatchewan Municipalities Complete Their Annual Reports Early.

Municipalities in other provinces might well take a leaf out of the book of the Saskatchewan municipalities, in the matter of completing their annual statements promptly. The Public Service Monthly reports that the town of Zealandia had filed with the Department of Municipal Affairs at Regina on the morning of January 2, its financial statement for the twelve months ending December 31. Other municipalities sent along their reports rapidly and by the end of the month, the 7 cities, 73 towns, 311 villages, and 298 rural municipalities of the province will have submitted their statements to the department. This is good work and compares most favorably with the experience of the municipal departments of other provinces, where returns are often delayed until far on into the year.

"It is gratifying to note," states the Public Service Monthly. "that many municipalities, both urban and rural, are insisting on securing the best available talent to conduct the audit. Practically all the firms of chartered accountants in the province have been engaged on this good work."

PARTICULARS OF THE LATEST BRITISH LOAN

Both One and Two-Year Notes Yield Six Per Cent.

COLLATERAL INCLUDES C.P.R.

Notes May be Converted Into 5½ Per Cent. Twenty-year Bonds Any Time up to Date of Redemption.

The price at which the new British loan in the United States would be offered to the public was made known last Saturday. The one-year notes sell at 99.52 and interest, and the two-year notes at 99.07 and interest. Both bear interest at 5½ per cent., and the yield rate is consequently 6 per cent. The loan consists of $100,000,000 one-year notes and $150,000,000 two-year notes.

The loan is secured by deposit of securities having a value of at least $300,000,000 calculated on the basis of prevailing market prices and exchange rates. This collateral will be composed of two groups, the first having a value of $150,000,000, being made up of securities of American municipalities and corporations, including the Canadian Pacific Railway and obligations of the Government of the Dominion of Canada, the colony of Newfoundland and Canadian provincial and approved municipal securities. In this group there will be somewhat over $100,000,000 in value in United States municipal and corporation securities and Canadian Pacific Railway issues.

Foreign Collateral.

Group 2 is composed of obligations (either as maker or guarantor) of the following foreign governments: Argentina, Chile, Cuba, Australia, Egypt, Japan, New Zealand and Union of South Africa; and obligations of approved railways in Argentina and the Grand Trunk Railway of Canada and approximately $25,000,000 in value of bonds and other obligations of dividend-paying British railway companies. Aggregate value of this group will also be $150,000,000.

The notes will be subject to redemption in whole or in part at the option of the British Government at a premium of 1 per cent. for each year or any part of their unexpired life, but if so called for redemption they may be converted into twenty-year 5½ per cent. bonds at any time up to the date of redemption. At the option of the holder they are convertible at any time before maturity into 5½ per cent. bonds, payable Feb. 1, 1937, and not subject to prior redemption.

No Taxes Deductable.

Both principal and interest of the notes and of the bonds into which they may be converted are to be payable without deduction for any British taxes, present or future, and are to be payable either in New York in United States gold coin or at the option of the holder in London at the fixed rate of exchange of $4.865 to the pound.

Provision is made in the pledge agreement for maintaining the collateral pledged with the Bankers' Trust Co. at a value of at least 120 per cent. of the amount of the loan outstanding. The British Government may sell for cash any of the pledged securities, in which event the proceeds of such sale shall be applied by the Trust Co. to the retirement of notes by purchase, if obtainable at or below the then redemption prices, or otherwise by redemption by lot. Provision is made for withdrawal of collateral on retirement of notes and for substitutions which do not vary substantially the relative amounts in value of the two groups.

The Syndicate.

The syndicate offering the notes is composed of J. P. Morgan & Co., who are the syndicate managers; First National Bank, New York; National City Co.; Harris, Forbes & Co.; Brown Bros. & Co.; Wm. A. Read & Co.; J. & W. Seligman & Co.; Kidder, Peabody & Co.; Lee, Higginson & Co.; Lazard, Freres; Kissel, Kinnicutt & Co.; White, Weld & Co.; Guaranty Trust Co., of New York; Bankers' Trust Co.; Farmers' Loan & Trust Co.; Central Trust Co., of Illinois; Union Trust Co. o
burgh; Continental & Co
Trust and Savings Bank,
First and Old Detroit Nation
and the Marine Bank of Buf

R.C.Matthews&

***Governmen
and
Municipa
Bonds***

**C.P.R. BUILDIN
TORONTO**

A WARNING NOTE

**Government Organ Depreca
vestment in Loan.**

On more than one occasio
been intimated from Otta
Canadians should refrain fro
up their money in British
loans floated in the United
Just now a great deal of C
capital is being placed in the
tish one and two-year notes,
other warning, obviously
from the capital, has appeare
Toronto *News*, a paper in ve
touch with the Governmen
News has this to say of the si

> British loans are placed in t
> States to conserve the money-pow
> Empire against the heavy drain o
> and to establish Imperial credit
> country in view of war purch
> must be made there. On a former
> it was explained that Canadians
> subscribe to such loans with
> measure defeating the British
> ment's purpose and so weak
> cause to which all Canadians are,
> be, deeply committed.
>
> The *Daily News* hears with re
> some Canadians have applied, o
> plying, for a share in the new B
> sue of $250,000,000 now being bro
> in New York through Messrs. J. P
> & Co. No banker, broker or capi
> make any such investment at
> without incurring moral obloquy.
> diversion of funds should be all
> necessary the Dominion Governme
> go as far as possible in preventin
>
> Every dollar subscribed from
> will lessen by that much the
> which the Imperial Treasury n
> from extraneous sources. There
> over, the fact that the Finance
> contemplates a third domestic wa
> the next few weeks. Canadians
> husband their cash reserves in
> make this issue an overwhelmin
> like its two predecessors. With
> with labor, the only creditable
> these days is: "All for Canada, th
> and civilization."

VERDUN.

**Recent Amendments to the
Are Explained.**

The amendments to the cha
the city of Verdun, granted
Legislature just before the
the last session, were explai
Mayor Manning at a meeting
zens held recently.

The chief points enumerated
speaker were that under the
charter, the city engineer i
standing as an official of the
tion, has his duties defined,
the qualification specified
must have. The city is empow
raise its interest from five to
cent. on overdue taxes and
ments. Special authority is g
city to borrow and expend a
exceeding $1,000,000 on pe
works, such as sidewalks, sew
On receipt by the council of
tion signed by a majority o
ested proprietors, both in num
value, such work is to be carr
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Kent county will raise $75,
the Patriotic Fund by taxat
stead of through contributions
various municipalities in the
or by the issue of debentures.

PROVINCE OF QUEBEC
MUNICIPAL
BONDS
Yielding 5½% to 6%

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Chartered Accountants.
807 Lumsden Bldg., Toronto

SEALED TENDERS addressed to the undersigned, and endorsed "Tender for Tungsten Lamps, Departmental Buildings, Ottawa, Ont.," will be received at this office until 4.00 p.m., on Friday, February 2, 1917, for the work mentioned.

Tenders will not be considered unless made upon forms supplied by Department and in accordance with conditions contained therein.

Specification to be seen on application to the Clerk of Works, Postal Station "F," Toronto, to the Overseer, Dom. Bldgs., Central Post Office, Montreal and to the Chief Architect, Department of Public Works, Ottawa.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10%) of the amount of the tender.

By order,
R. C. DESROCHERS,
Secretary.

Department of Public Works,
Ottawa, January 22, 1917.

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Paid-Up Capital $6,000,000.00
Reserve Fund (earned). 5,000,000.00
Investments 32,264,782.81

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DEBENTURES ISSUED

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Incorporated by the Dominion Parliament. This Trust Company accepts and executes Trusts of every description, acts as Executor, Administrator, Liquidator, Guardian, Curator or Committee of the estate of a lunatic, etc. Any branch of the business of a legitimate Trust Company will have careful and prompt attention.

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FIELD OF MUNICIPAL FINANCE

EDMONTON WILL CHANGE SYSTEM OF TAXATION

Legislature Will be Asked to Amend the City Charter for the Purpose.

WILL MODIFY SINGLE TAX

Land, Increment, Business, Income, Buildings, Special Franchises and Poll Taxes Will be Applied.

At a meeting of the City Council of Edmonton held last week, it was decided to apply to the Provincial Legislature to amend the city charter so that other methods of taxation than the single tax, might be applied. The right to tax on land, on increment, on businesses, on income, on buildings, on special and franchises will be asked for, and also the power to impose a poll tax. This is taken to mean the end of the single tax system in Edmonton.

Asked to explain how he would divide the cost of taxation, Mayor Henry said that the land tax would pay sufficient money to pay debenture interest and sinking fund on the improvements made by which the land was increased in gains, while the cost of the fire department, policing and street cleaning and all activities of the city necessary for the convenience, comfort and protection of the men in business, lawyers, doctors and citizens generally, would apply to business, industries, professions and franchises. In other words, the city requires $3,000,000 annually, half of which would be borne by the land, and the other half by businesses, licenses, etc.

Follow Southern System.

Medicine Hat has a system of taxation by which it taxes businesses on a rental value, and that was thought to be equitable. Council, however, decided to apply to the Legislature for an amendment, permitting the city to tax businesses, but before details are worked out a meeting of the merchants, professions, wholesalers and retailers will be held to get ideas.

Council then discussed the system of taxation on incomes. The question immediately arose as to the minimum income to be taxed, and Ald. Wilson wanted to know whether, if a man had property, a business and an income, would he be taxed on all three? City Solicitor Brown replied that if the income was deprived solely from the business he conducted he would not be taxed. If the income was derived from mortgages, mining stock or other investments, then he would pay. It was decided to ask the Legislature for the right to tax incomes, but the details were left till a later date to be worked out.

Buildings Also Taxed.

Taxation on buildings was then dealt with and the aldermen thoroughly thrashed the matter out. Comparisons were made, grievances uttered and the pros and cons were so minutely dissected that Mayor Henry wearily requested that the whole matter drop and "let us stay with single tax." The case of the Arlington Apartments on a single lot assessed at $8,000, compared with a corner lot opposite with only a dwelling erected thereon was brought up. It was thought in this case that the smaller man would be the loser. Some of the aldermen feared that the Hudson's Bay, C.P.R., and other big land owners holding speculative unimproved land would be relieved. "The worst of it is there is no equitable system of taxation in the world," said Ald. Grant.

Increment Tax, Too!

The question then arose at to what value of buildings should be taxed. Some thought it should be up to fifty per cent., others thought twenty-five per cent., while more than one claimed that any taxation on buildings would penalize those in the centre of the city and so opposed it. Then it was argued that taxing buildings would assist the city in getting an increment tax, especially on unimproved land. By a vote of six to four council agreed to ask for the right to tax up to twenty-five per cent. on the value of the buildings.

Council also discussed an increment tax method, and on the motion of Ald. Grant, council approved of a scheme and will apply for the right to tax on increment of five per cent. on the increased value on the 1917 assessment plus the taxes up to the date of sale.

Another move was to endorse a poll tax of $2 for every person who is not otherwise assessed for property in the city, the tax to be collected when registration of voters takes place, the license inspector to collect.

VICTORIA.

Assessment is Cut by Ten Per Cent. and is Lowest in Four Years.

The total land and improvement assessment in Victoria this year is $79,430,050, according to the 1917 assessment roll. This is composed of $54,252,150 on land and $25,177,900 on improvements, which are exempt.

This year's assessment is a reduction of 10.5 per cent. from the assessment of 1916, which placed the land figures at $62,641,219 and the improvements at $25,302,431. This was the figure after the court of revision got in its work, however. Before the reductions were made the total assessment stood at $70,189,230.

The highest assessment was that of 1914, when the land value of the city was placed at $89,151,900. The latest figures show a reduction of 41.5 per cent. from those of two years ago.

Comparative figures for the last seven years are:—

	Land	Improvements
1910	$26,288,102	$11,602,130
1911	46,516,205	13,491,780
1912	71,670,770	17,071,360
1913	89,151,990	23,152,360
1914	89,151,990	26,803,940
1915	80,751,035	28,191,545
1916	62,641,219	25,302,431

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Feb. 5, Souris, Man.—$15,000 6 per cent., 20-instalment bonds, dated December 31, 1916. J. W. Breakey, secretary-treasurer, Souris, Man. (Further particulars in announcement, page 12.)

Feb. 6, Local Government Board, Regina.—Holbeck, S.D., $1,800; Malden, S.D., $1,200; Wolf Willow, S.D., $1,500; Shamrock, S.D., $1,000; Luton, R.T. Co., $750. All are 7 per cent. 10-instalment, except Luton, which is 7% 15-instalment.

Jan. 31, Sandwich South Township.—$2,000 5 per cent. 10-instalment local improvement debentures; $2,007.05 6 per cent. 7-instalment drainage debentures and $5,253.87 6 per cent. 10-instalment drainage debentures.

BY-LAWS PASSED OR DEFEATED.

Fort William.—$80,000 for collegiate institute purposes, passed by the ratepayers, Jan. 1.

BY-LAWS TO BE VOTED ON.

Feb. 1, Bradwardine, S.D., Man.—$2,000 for the purpose of erecting an addition to the present school building and furnishing the same.

Feb. 3, Cameron, S.D., Man.—$1,500 for the completion of the erection of school house.

Feb. 6, Wellwood Con., S.D., Man.—$16,000 to pay for the erecting of a school house and furnishing the same.

Feb. 5, Brigden, Ont.—$4,000 for the construction and equipment of a plant for the reduction and distribution of hydro-electric power.

SASKATCHEWAN.

The following is a list of applications granted by the Local Government Board, Jan. 15th to 19th:

School Districts.—Orpington, $1,400.

The following is a list of debentures reported sold by the Local Government Board, Jan. 15th to 19th:

School Districts.—Harrisland, $1,600; H. O'Hara & Co., Toronto; Tangleflags, $1,800, H. O'Hara & Co.; Wesson, $1,600, Goldman & Co., Regina.

Rural Telephone Companies.—Pibrock $500, W. L. McKinnon & Co., Regina; Cotham, $1,500, Union Bank of Canada, Souris.

Villages.—Lawson, $2,700, W. L. McKinnon & Co., Regina.

BOND SALES.

$1,000 Bell Telephone at 99; $10,000 Cedar Rapids at 91½ to 90; $2,000 Can. Cement at 97½ to 96½; $3,000 Can. Consol. Rubber at 97 to 96; $2,600 C.P.R. Notes at 103¼ to 102½; $2,000 Dominion Iron at 87½; $1,000 Dominion Textile, Series C. at 97; $2,000 N.S. Steel at 89 to 88½; $4,100 Montreal Trams., Debts. at 76 to 75; $20,000 Ogilvie Flour, Series C, at 103¼; Ogilvie Flour, Series B, at 103; $7,000 Porto Rico at 82; $17,500 Quebec Railway at 70; $3,000 Rio Janeiro at 86¼; $2,500 Steel of Canada at 97; $27,300 Wayagamack at 89½ to 89; $51,400 War Loan at 98⅝ to 97⅛; [illegible] New War Loan at 98½ to 97⅝.

INTERESTING ASSESSMENT CASE HEARD

Question Raised as to Whether Warehouse is Part of Distillery.

MILLION DOLLARS INVOLVED

Town of Walkerville Contests Assessment of Warehouse of Hiram Walker & Sons With the Company.

An assessment judgment, in which a million dollars hinged on whether a warehouse where whiskey is stored was part of a distillery or not, was handed down by the Ontario Railway Board last Saturday.

The case was that of Hiram Walker & Sons, Limited, who appealed with regard to their assessment of $810,805 on their property in Walkerville.

The company contended that these premises were used simply and solely as warehouses, and as such should bear a business assessment of 25 per cent. The other side contended that these premises came under the definition of "distillery," and as such must bear a business assessment of 150 per cent. The first assessment would involve the payment of $200,000 as business assessment, and the second $1,200,000.

To Railway Board.

The company appealed from this latter assessment and the County Judge, His Honor John O. Dromgole, confirmed the assessment. The company then carried their case to the Ontario Railway and Municipal Board, which upheld the judge's decision.

The Board's judgment quoted from the Inland Revenue Act that part of the definition of "distillery" which set forth that under that heading came any premises "where process of distillation whatever is carried on," or "where any process of rectification of spirits....is carried on," and also "every office, workshop, warehouse, granary, fermenting room," etc.

"It thus appears that, for the purposes of the Inland Revenue Act the business activities of a distillery are not deemed to be confined to the operations carried on in the still room or rectifying house, but extend to and include the warehousing of his products," says the Board's judgment.

BURNABY.

District Has a Good Surplus of Assets Over Liabilities.

The annual financial statement of the municipality of Burnaby, adjacent to Vancouver on the east, shows a half million excess of assets over liabilities. Fixed liabilities total $2,287,150, including sinking fund debentures sold, and serial bonds sold of $1,000,000. There are surplus fixed assets over fixed liabilities of $270,008. With current assets of $770,160, the municipality has surplus of current assets over liabilities amounting to $389,710. During the year $342,000 was borrowed from the bank and $422,209 repaid.

BOOKKEEPING AT FAULT.

Investigation by L. G. Board at Watrous Discloses No Insolvency.

The investigation by the Local Government Board of the financial affairs of the town of Watrous, Saskatchewan, in which the services of an expert auditor were required, disclose that the town is in a good financial condition and that it was suffering from the effects of extremely poor bookkeeping.

Sheriff Calder, who attended the investigation on behalf of the execution creditors, whose judgments are said to total $10,000, stated that tax notices had not been sent out till December, but that now money was coming in rapidly and that general conditions were the best in the history of the town.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date.	Place, Purpose and Purchaser.	Rate	Term	Amount	Price	Basis
Jan. 19—						
	Harrisland S.D., Sask., O'Hara & Co...	7%	10-ins.	$ 1,600	....	......
	Tangleflags S.D., Sask., O'Hara	7%	10-ins.	1,800	....	......
	Wesson S.D., Sask., Goldman & Co....	7%	10-ins.	1,600	....	......
	Pibrock R.T. Co., Sask., McKinnon ...	7%	15-ins.	500	....	......
	Cotham R.T. Co., Sask., Union Bank...	7%	15-ins.	1,500	....	......
	Lawson, village, Sask., McKinnon	...	......	2,700		
Jan. 23—						
	Galt, Imperial Bank	5½%	30-ins.	7,000	102.18	5.30%
Jan. 18—						
	Chilliwack, B.C., local imps., Brent....	6%	20 yrs.	4,663	95.50	6.60%
	Total			[illegible]		

THE ROYAL BANK OF CANADA
INCORPORATED 1869
Capital Authorized - - - $ 25,000,000
Capital Paid Up - - - 12,900,000
Reserve and Undivided Profits, 14,300,000
Total Assets - - - - 270,000,000
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Thirty-three Branches in Cuba, Porto Rico, Dominican Republic, Costa Rica and Venezuela
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Bank Bldgs., Princes St., E.C.
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It means the happiness and welfare of those most dear.
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All of these qualifications can be rarely found in a friend or individual.

THE STERLING TRUSTS CORPORATION possesses all of these essential qualifications of a competent trustee, including assured existence throughout generations of beneficiaries.

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Agents wanted in unrepresented districts 35

AN ESTATE FREE OF DEBT

Many investors purchase real estate by means of instalments, payable monthly or yearly, thus making ownership possible in time.

In the event of death before the payments are completed, however, the estate is bequeathed, encumbered with debt, and the heirs may not be able to continue the payments.

And it might easily result that the whole of the investment would be lost to the beneficiaries.

Life insurance also constitutes an estate payable by instalments, but death ends the obligation to make payments, and the estate is handed down intact.

Every man who has dependent relatives or friends should have a substantial portion of his investments in the form of life insurance, since the payment of the first premium creates for them an estate free of debt.

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WATERLOO ONTARIO

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INSURANCE COMPANY
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INVESTORS' INSURANCE NOTES

1916 GOOD YEAR FOR THE NORTH AMERICAN LIFE

Does the Biggest Business in the History of the Company.

60 MILLIONS NOW IN FORCE

All Departments of the Company's Affairs Show Advances, Though Death Claims, Due to the War, Are Heavy.

With an increase in the value of policies issued, increased and revived during the year of well over a million dollars, the North American Life Assurance Company, which held its thirty-sixth annual meeting on Thursday of this week, reports the best year in its history. The total business in force now amounts to $59,685,112, as compared with $56,245,318 at the end of 1915. New policies issued, together with those increased and revived, amounted to $10,189,539.

The present meeting was the first at which Mr. Goldman occupied the chair as president. In his address to the guarantors and policyholders, he referred feelingly to the death of the late president, Edward Gurney. He had been called upon to succeed a line of distinguished men in the presidency. First came the Hon. Alexander Mackenzie, Premier of Canada; then there followed the late J. L. Blaikie, and lastly the late Edward Gurney. Mr. Goldman had been in the service of the company ever since its inception, thirty-six years ago.

Income and Investments.

Like most of the life companies, the North American shows a decided increase this year in the value of its holdings of bonds, debentures and stocks, while mortgage loans are slightly less. The former are valued in the statement of assets at $8,726,187. At December 31, 1915, their value was $7,576,473. The latter stand at $4,454,375, whereas a year ago they were $4,645,515. Loans on policies, always an important item in the table of assets, show a decrease for the year, the number of new loans falling short of the number paid off by about $50,000. This, naturally, is a desirable condition. Deducting the investment reserve fund of $95,000, the net ledger assets amount to $15,782,595, which compares with $15,128,924 at the end of 1915.

The company's income is shown to be $2,912,514, of which $2,011,040 represents premium income. The net premium income in 1915 was $1,901,346, so that a gratifying increase is to be noted in this item. There was also a substantial gain in the income from other sources and the earning rate on the company's investments has thus been well maintained.

Liabilities and Payments.

The company's liabilities have been very fully provided for. Of the total liabilities, policy reserves amount to $13,379,963. Besides placing all of the reserves upon a 3½ per cent. basis, the company has included a considerable sum for the purpose of placing a portion of the business upon a 3 per cent. basis.

Death claims paid totalled $524,858, compared with $388,604 in 1915. Of this amount $85,212 represented claims accruing in 1915, while about one-third were war claims. There is carried over as a liability, claims, awaiting proof, of about $150,000, as against a similar item of $93,662 in 1915. All of which goes to show that the effect of the war was much more severely felt in 1916 than in 1915.

The company paid in dividends to policyholders during the year the fine sum of $262,684, bringing the total payments of dividends and surplus to policyholders for the past ten years up to $1,730,914. As the guarantors only received $6,000 on their investment, the preponderant interest of the policyholders in the North American Life is evident.

The total expenditure for the year amounted to $2,206,025, which compares with $1,956,987 in 1915. This difference was made up largely of the increased payments to policyholders, both in death claims and in dividends and not in added expenses of management or administration. In fact the company's expenditure on that score has been kept well in hand.

Surplus Grows.

As the surplus above all liabilities and capital amounted to $2,502,093 at the end of 1915, and as it now stands at $2,657,105, it is evident that solid progress has been made during the year.

Some of the outstanding items of the report may be set forth in the following table, in which they are contrasted with the 1915 figures:—

	1916	1915
Policies issued and revived	$10,189,539	$ 9,102,126
Business in force ..	59,685,112	56,245,318
Cash income	2,912,514	2,749,950
Net premium income	2,011,040	1,901,346
Pd. to policyholders	1,519,000	1,386,025
Death claims paid..	524,858	288,604
Total assets	16,442,713	15,769,706
Policy reserves	13,379,963	12,863,010
Net surplus	2,657,105	2,502,093

All the former directors of the company were re-elected and at a directors' meeting, following the general meeting, L. Goldman was elected president, and W. K. George, vice-president.

A BIG TOTAL.

Prudential Life Now Carries Nearly Six Hundred Millions of Insurance.

More than $591,000,000 of paid-up life insurance was issued by the Prudential Insurance Company of America, in 1916, and at the lowest expense rate in Prudential history, according to the forty-first annual figures of the company, read by President Forrest F. Dryden at the opening session of an international business conference of Prudential field representatives, held this week at Newark, N.J. This issue, Mr. Dryden explained, represents a gain in insurance in force of over $283,000,000.

President Dryden also stated that the Prudential now has 15,000,000 policies, representing a total of over $3,000,000,000 insurance in force, continuing the Prudential, although one of the youngest, as the second company in the world in this respect. Since its organization in 1876, Mr. Dryden stated the Prudential, recently mutualized, has paid a total of over $428,000,000 to its policyholders, including more than $28,750,000 not called for by the policy contracts. These payments in 1916 alone totaled $47,278,000, covering an average of 550 claims every working day of the year.

Although the Prudential writes insurance only in the United States and Canada, it has paid 1,184 war claims, for a total of $364,000.

It is the first time in thirteen years that the Prudential has called its men in from all over the United States and Canada for a general conference with home office executives.

MANITOBA.

Insurance Superintendent's Report for 1915 Only Just Issued.

In 1915, licensed insurance companies doing business in Manitoba under the Manitoba Insurance Act, collected premiums totaling $7,059,715.98, and paid losses amounting to $2,114,985.49. This information is contained in the annual report of A. E. Ham, Provincial Superintendent of Insurance, which was tabled in the Legislature last week by Hon. E. Brown. The figures for 1916 are not yet available.

On November 30, 1916, 53 licensed companies and 155 registered companies were doing business under the Act.

During the year the Continental Life lost two of its directors. Dr. Angus McKay, ex-M.P.P. of Ingersoll, was removed by death and J. B. Ferguson of Toronto resigned on account of ill-health and pressure of other affairs. In the election of directors for 1917, which took place before the conclusion of the annual meeting, the two vacancies on the board thus created were filled by the inclusion of J. B. Holden and John W. Hobbs, Toronto. The former is a barrister, whose name is familiar in connection with the Hollinger Consolidated Gold Mines; the latter is managing director of the Consolidated Plate Glass Co., of Canada. All the other directors were re-elected.

The Sun Life Assurance Company of Canada announces that it has subscribed for £500,000 of the British "victory" loan, announced this week in London, and $1,000,000 to the new 5½ per cent. secured British loan now being offered in New York by a syndicate of bankers headed by J. P. Morgan & Co.

CONTINENTAL LIFE ENJOYS GOOD BUSINESS

Increases Insurance in Force by Over Half a Million.

DEATH CLAIMS WERE HEAVY

Forty-five Per Cent. of the Mortality Experienced Accrues from the War—Otherwise Claims Were Below Normal.

The fourth Canadian life company to hold its annual meeting was the Continental Life, shareholders of which assembled at the head office building in Toronto on Wednesday afternoon last to receive the directors' report on the year's business and transact other necessary business. The proceedings were of the usual formal character. President George B. Woods occupied the chair and read the annual report, which dealt briefly and concisely with the outstanding features of the company's affairs for the past year.

With the one exception of war claims, which have been rather heavy, the experience of the Continental Life has been entirely favorable. In applications, in policies issued and revived, in income, in assets and in reserves, substantial advances have been scored over 1915, while in the item of expense, other than death claims, the ratio to premium income has been reduced by about two per cent.

In connection with the war claims, Mr. Woods expressed the opinion that the amount of the extra premiums on war policies in force since August 1914, was not nearly sufficient to meet the extra mortality. At the same time, and notwithstanding, the stability of Canadian life companies under the severe strain of the past three years had been amply demonstrated and he believed that it was desirable that Canadians should give every preference in placing new insurance to the home companies.

The Year's Results.

Application received by the company for insurance during 1916 amounted to $2,332,118, an increase of $330,330 over 1915. Policies issued and revived were valued at $2,271,534, a gain of $337,539. Total insurance in force on December 31, was $10,565,849, as compared with $10,053,220 at the end of 1915.

The largest increase in the history of the company is reported in net premium income. Deducting the cost of reinsurance, this item amounted to $362,363, which was $34,453 better than in 1915. Other receipts, which include interest and rents, were $97,990. This item is not dissected, as in the government return, so that it is impossible to show just what portion is derived from investments and what from rentals. It is less by $3,418 than the amount credited to this item in the 1915 report. At the same time the ledger assets show an increase in real estate, mortgage loans, bonds and debentures, loans on policies and cash on hand, which would seem to indicate a slightly lower earning power on the company's investments. This, however, is by no means a disquieting feature. It has been the experience of other companies and is an indication of greater security in investment than otherwise.

The large increase in net premium income has much more than offset the slight decline in income from other sources, making the total for the year from all sources $460,353, as compared with $430,201 for 1915.

During the year death claims accrued under 58 policies for $98,350, of which $5,000 was reinsured. Of this amount $42,350 represented war claims. The actual payment on death claims was $56,795, leaving $36,555 unadjusted.

The Company's Surplus.

Assets have increased from $2,019,606 to $2,220,166. As already noted there have been gains in mortgages, bonds and debentures, loans on policies and cash on hand, with reductions in call loans and outstanding and deferred premiums. Total liabilities stand at $1,880,108, leaving the surplus for the protection of policyholders at $340,057.

Western Assurance Company
(Fire, Explosion, Ocean Marine and Inland Marine Insurance)
HEAD OFFICE, TORONTO, ONT.
Assets over - - - - $ 4,000,000.00
Losses paid since organization over - - $63,000,000.00
W. R. BROCK, President. W. B. MEIKLE, Vice-President and General Manager. C. C. FOSTER, Secretary.

Chief Office for Canada, TORONTO
LONDON & LANCASHIRE FIRE INSURANCE COMPANY
ALFRED WRIGHT, MANAGER

IF A BANK

of undoubted stability offered to set aside One Thousand Dollars for the benefit of your Estate—the only condition being that you pay the interest on that amount at three per cent. during your life—would you consider the proposal?

Undoubtedly. Then apply for Life Insurance—for a Life Policy is issued on precisely these conditions—with the additional advantage that the interest is not necessarily payable for life, but may be limited to a period of years.

The Great-West policies comprise all that can be desired in profitable Life Insurance. Write for information.

The Great-West Life Assurance Company
Dept. "G."
Head Office - Winnipeg

In requesting information ask for a 1917 Desk Calendar.

British America Assurance Co.
(Fire, Hail, Ocean Marine and Inland Marine Insurance)
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, Vice-President and General Manager; Robert Bickerdike, M.P.; John Aird, Alfred Cooper (London, Eng.) H. C. Cox, D. B. Hanna, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., W. B. Meikle, Geo. A. Morrow, Augustus Myers, Lt.-Col. Frederic Nicholls, Col. Sir Henry Pellatt, E. R. Wood.
Assets, Over - - - $ 2,500,000.00
Losses Paid Since Organization Over - - $39,000,000.00

The UNION BANK OF AUSTRALIA, Ltd.
Established 1837. Incorporated 1880.
CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,960,000 Together £3,960,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,960,000
Head Office: 71, CORNHILL, LONDON, E.C.
DIRECTORS.
HENRY P. STURGIS, Esq. (Chairman).
Arthur P. Blake, Esq.
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.
Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, 39 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter 1727.
Paid-up Capital - - £2,000,000
Rest & undivided profits £800,986
Head Office
St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, Adam Tait. Secretary, A. K. Wright.
London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
A. Dennistoun, Agent.
167 Branches throughout Scotland

Banking business of every description transacted. Accounts opened and agency business undertaken for Foreign and Colonial Banks and other financial establishments. Bills, Cheques and other documents collected. Drafts, Circular Notes and Letters of Credit issued—available throughout the world. Cable transfers are also made. Deposits received at interest repayable at call or at notice. Correspondence invited.

DOMINION MILK CORPORATION, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 9th day of December, 1916, incorporating Gertrude Mary Jose, Ida Bergey, Kate Rebecca Broddy and Loretta Duggan, stenographers; Howard McLachle McCance, chauffeur; Leo Henry Baker, manager; William Howard Walter, student-at-law; Gordon Nicholas Shaver and Alexander Robertson Cochrane, solicitors; and George Duncan Egar, Esquire, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz: (a) To carry on business as manufacturers and dealers in both wholesale and retail and producers of dairy, farm and garden produce of all kinds and of milk, cream, cocoa, chocolates and all beverages and all foods, composition and supplies into which milk and cream, chocolate or cocoa or any products of the same enter as component parts and food products of every kind and description; (b) To acquire by purchase or otherwise and work farms, ranches and any other property, real or personal for the purposes of the company; (c) To raise, kill and slaughter cattle and other farm animals for export or local trade as dressed beef or in cans; (d) To acquire by purchase or otherwise, erect, build and work refrigerator elevators, warehouses, abattoirs, machinery, works and appliances, cars, bottles, bottle-stoppers and boxes as may be necessary for the company's business; (e) To build, acquire, own, charter or lease, navigate and use steam or other vessels for the purposes of the company, also build and operate railway cars as the company's business may demand; (f) To manufacture and produce steam and gas and acquire, develop and utilize water-powers for the purpose of milling and for generating electricity for lighting, heating and motor purposes in connection with the buildings and other works of the company with authority to sell or otherwise dispose of any surplus of gas, electricity or power generated by the company's works and construct and operate lines for the sale and conveyance of such surplus power, subject always to all provincial and municipal laws and regulations in that behalf; (g) To carry on any other business (whether manufacturing or otherwise), which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (h) To buy, sell, handle and deal, both wholesale and retail in commodities, articles and things of all kinds which can conveniently be dealt in by the company in connection with any of its objects; (i) To purchase or otherwise acquire any formulae, receipts, processes, letters patent, trade-marks, trade names or copyrights, relating to the products of the company, or any rights or interests in the same or in the mode of manufacturing or selling the same; (j) To apply for, purchase or otherwise acquire patents, concessions and like conferring any exclusive or non-exclusive or limited right to use of any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem to benefit the company and to use, exercise, develop and grant licenses in respect to or otherwise deal with all or any of the same; (k) To apply for, acquire and enjoy any concessions, franchise, right, privilege or power which any government or public authority, federal, provincial, municipal or local or any corporation or other public body may be lawfully empowered or authorized to make or grant; (l) To promote or assist in the promotion of any company or companies carrying on business similar in whole or in part to that of this company; to act as agents for any company, partnership or person carrying on a similar business, and to carry on any other business, whether manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with any of the above businesses or objects, or calculated to enhance the value of or render profitable any of the company's property or rights for the time being; (m) To purchase or otherwise acquire and undertake all or any part of the assets, business, property, privileges, contracts, rights, obligations and liabilities of any person or company carrying on a business similar thereto or possessed of property suitable for the purposes thereof or which is capable of being conveniently carried on in connection with the business of which the company may be hereby empowered to purchase, lease, or otherwise acquire, and to pay for the same in stock, bonds, debentures or securities of the company; (n) To amalgamate with any other company having objects similar to those of this company; to lease, sell, improve, manage, develop, exchange, turn to account or otherwise dispose of or deal with the property and assets of the company or any part thereof for such consideration as the company may deem fit, including shares, debentures or securities of any company; (o) To enter into partnership or into any arrangement for sharing of profits or union of interests with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in or any business or transaction capable of being conducted so as to directly or indirectly benefit the company, and to make advances to, guarantee the contracts of or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (p) To distribute among the members of the company in kind, shares, debentures, securities or property belonging to the company; to take or otherwise acquire and hold shares in any other company having objects similar to those of the company or carrying on any business which is germane to the objects for which the company is incorporated; (q) To issue shares of the company as paid up in payment of any assets purchased by the company or, with the approval of the shareholders, for services rendered or for any other consideration which may be deemed just and sufficient by the directors; (r) To take, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as directly or indirectly to benefit the company; (s) To sell or dispose of the undertaking of the company or any part thereof for such consideration as the company may think fit and in particular for shares, debentures or securities of any other companies having objects altogether or in part similar to those of the company; (t) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any shares in the company's capital or any debentures or shares of the company or in or about the formation or promotion of the company or the conduct of its business; (u) And generally to do all acts and exercise all powers and carry on all business incidental to the carrying out of the objects for which the company is incorporated; (v) To pay out of the funds of the company all expenses of and incidental to the incorporation and organization of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Dominion Milk Corporation, Limited," with a capital stock of one million two hundred and fifty thousand dollars, divided into 12,500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 13th day of December, 1916.

THOMAS MULVEY,
Under-Secretary of State.

REAL ESTATE

BORDER CITIES OF THE DETROIT RIVER PROSPER

Windsor's Population Grows During 1916 by 2,500.

NOT ENOUGH DWELLINGS

New Industries Bring Citizens and Overflow from Detroit Finds Homes in the Canadian City.

At the present time it is estimated that the City of Windsor is enjoying more prosperity than at any time in its history. During 1916 the population grew by 2,462 to 26,624, while the value of property increaesd from $24,306,550 to $26,449,064. If only sufficient houses could be provided, the 30,000 mark in population would easily be reached. The shortage of dwellings, despite the efforts of builders and contractors, is still keenly felt. This year building will be actively prosecuted. The growth of Windsor has been shared by neighboring municipalities, such as Walkerville, Ford and Sandwich, and taken together the border municipalities are enjoying perhaps greater prosperity than any other section of Canada. This prosperity is largely a reflection of that of Detroit, across the river, and it is exemplified in the construction in Windsor and vicinity of branches of American factories, especially automobile plants, and in the influx of numerous Detroiters, who find it advantageous to go and live in the Canadian city, which is really closer to the centre of Detroit than many of the residential districts on the outskirts of the big city.

MONTREAL.

Old High School Property, Sold in 1913, Reverts to Previous Owners.

In 1913 the Protestant School Commissioners of Montreal sold the old high school on Peel Street to J. E. Wilder for $1,369,755. It is now announced that the sale has been cancelled, and that the property is back again in the hands of the Commissioners. The sum of $469,755 was paid by Mr. Wilder as part of the purchase price, and this is now forfeited. The building, which has been rented at $500 a month to the Militia Department, is estimated as being worth, with the land, $1,500,000. The Commissioners will hold the property until normal times return, when they expect to sell it again at a good figure.

NEW WESTMINSTER.

Mayor Announces That City Will Get a New Cargo Sawmill.

In the course of a recent campaign speech, Mayor Gray, of New Westminster, announced the coming of a new industry to the city in the shape of a large cargo sawmill. He was not yet in a position to give the names of the parties interested, but he stated that a site had actually been purchased and that the proposition was already at a stage where it was not merely a possibility, but a certainty. He also mentioned as industrial possibilities a structural iron plant, a steel rolling mill and a wooden shipbuilding industry, which would build ten ships, provided the Government would extend the time limit within which the Shipping Aid Bill would provide assistance.

TORONTO.

Several Recent Deals Indicate a Renewed Activity in Real Estate.

A large piece of property on Adelaide Street, Nos. 99 to 111, has been sold by the Adelaide Leaseholds, Limited, to a Toronto investor. The property has a frontage of 132 feet frontage by 170 feet through to Pearl Street. There are three good four-storey, solid brick buildings on the property. Property in this district with a double frontage is worth in the neighborhood of $1,500 a foot.

The old Pellatt house at 559 Sherbourne Street, which was bought a couple of years ago by Fred Grundy, has been again sold by him to a Toronto party. The name of the purchaser and the price is not given, but the last sale price of the property was $85,000, and as it was bought as an investment, the present sale price is believed to be somewhat in advance of this. The property has a frontage of 69 feet on Sherbourne Street by a depth of 190 feet to Bleecker Street, with 79 feet frontage on the latter street. There are two small houses on Bleecker Street included in the property and the deal.

A ten-year lease has been given of the big warehouse at the corner of Jarvis and Duke Streets at $2,400 a year. The building is a three-storey structure, and the property has 46 feet frontage by 100 to a lane. The lessors are the Canadian National Investments, Limited.

LAND DEAL IN COURTS.

Affairs of the Port Weller Land Company Are Aired in Court.

Last week the case of Penman vs. Bartram came up for trial in the Non-Jury Court, Toronto. Both parties to the suit had been interested as shareholders in the Port Weller Land Co. and the Port Weller Securities Corporation, which had been formed to deal in real estate at the new Lake Ontario terminus of the Welland Ship Canal. In September, 1913, the Securities Corporation gave Bartram an option on certain lands, situated in Grantham Township, the purchase price being $200,000. Bartram went to England to sell the option for $170,000, and it was agreed that he should get $30,000 as commission for securing the sale. Later Bartram notified Penman that it was necessary to ask $200,000 for the option, and that another $30,000 would be needed for expenses and commissions to sub-agents. This arrangement was agreed to and Penman declares that Bartram assured him that the extra $30,000 had been used up in expenses and commissions.

Bartram later exercised the option on the lands and assigned the agreement to the Securities Corporation. Believing the statements of Bartram true, Penman transferred 11,830 shares in the Land Company and 86 shares in the Securities Corporation to Bartram, so that each might get his share of the money derived from the sale of the option. Defendant, on the payment of the commissions, was to return the stock, but an agreement was afterwards reached by which the plaintiff released all his claims against the defendant.

The suit was entered by Penman on the ground that the defendant had taken for his personal use the second $30,000 appropriated for expenses and commissions, and that there was fraud and misappropriation of profits accruing from the sale of the lands. Mr. Justice Middleton, who heard the case, decided that there had been neither fraud, undue influence or over-reaching. The judge was of the opinion that the bargain was between two men perfectly able to take care of themselves.

A GOOD OUTLOOK.

Builders' Exchange of Montreal Anticipates Much Building This Year.

The building situation of Montreal was discussed and new officers were elected at the annual meeting of the Builders' Exchange on Tuesday afternoon.

The retiring president, John Quinlan, addressed the meeting in optimistic terms, expressing his belief that during the present year many contracts would be let for the construction of new factories and public schools, all of which are known to be overcrowded and wholly inadequate to handle the increased juvenile population. There is a growing desire also among business men to build and own their own houses, and this fact, he said, was already swelling the number of building licenses issued.

The meeting unanimously adopted a resolution favoring the creation of a Bureau of Municipal Research in Montreal, and another advocating the study of preferential tariff within the Empire.

The Spectator Printing Company, Hamilton, has purchased a block of property at the corner of King William and St. Catharine Streets, Hamilton, for $100,000, and has sold part of it to Loew's Theatres for $65,000.

The King Edward Hotel Company has appealed against the assessment of $750,000 placed on their property by the county judge. The original assessment was $1,000,000. This was reduced by the Court of Revision to $600,000, and later increased by the county judge to $750,000.

TO INVESTORS

THOSE WHO, FROM TIME TO TIME, HAVE
FUNDS REQUIRING INVESTMENT
MAY PURCHASE AT PAR

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF $500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

Interest payable half-yearly, 1st April and 1st October by cheque (free of exchange at any chartered Bank in Canada) at the rate of five per cent per annum from the date of purchase.

Holders of this stock will have the privilege of surrendering at par and accrued interest, as the equivalent of cash, in payment of any allotment made under any future war loan issue in Canada other than an issue of Treasury Bills or other like short date security.

Proceeds of this stock are for war purposes only.

A commission of one-quarter of one per cent will be allowed to recognized bond and stock brokers on allotments made in respect of applications for this stock which bear their stamp.

For application forms apply to the Deputy Minister of Finance, Ottawa.

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.

STANLEY & AYLWARD, LIMITED.

PUBLIC Notice is hereby given that under the first part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 22nd day of December, 1916, incorporating Franklin Metcalf McDowell law clerk, George Roy Sproat, accountant, Gordon Balfour Flett, student-at-law, Charles Henry Kemp and Cecil Carrick, solicitors, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To carry on the business of manufacturing, wholesale and retail jewellers and dealers in jewellers sundries, watches, gold, silver and metal wares, gold filled wares, glassware, china, enamel goods, stamped goods, military badges and jewellery; (b) To manufacture, sell, buy and generally deal in all materials used in the manufacture of any of the above described wares; (c) To carry on any business which can be profitably carried on in connection with any of the aforesaid businesses; and import and export any of the aforesaid articles or wares and to import or export any of the materials used in the manufacture thereof; (d) To act as agents or contractors in securing contracts for the manufacture and sale of any of the aforesaid wares. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Stanley & Aylward, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 26th day of December, 1916.

THOMAS MULVEY,
Under-Secretary of State

GALE MANUFACTURING CO., LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 2nd day of January, 1917, incorporating Ferguson James Dunbar and Alexander George Frederick Lawrence, solicitors, Alfred John Sneath, student-at-law, Bertha Taylor, and Norma Lown, stenographers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To manufacture, buy, sell and deal in clothing and wearing apparel of all kinds and descriptions for men, women and children; (b) To acquire and take over as a going concern the undertaking and all or any of the assets and liabilities of Gale Manufacturing Co. Limited, incorporated by letters patent under the Ontario Companies Act or all or any part of the shares or capital stock of the said company; (c) To acquire the good-will, rights and property and to undertake the whole or any part of the asset, and liabilities of ary person, firm, association or corporation, and to pay for the same in cash, stock or bonds of this corporation or otherwise; (d) To carry on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with its business or calculated, directly or indirectly to enhance the value of or render profitable any of the company's property or rights; (e) To apply for, purchase or otherwise acquire, any patents, brevets d'invention, license, concessions and the like, conferring any exclusive or non-exclusive, or limited right to use, or any secret or other information as to any invention or process which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise, develop or grant licenses in respect of, or otherwise to turn to account the property, rights or information so acquired; (f) To enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same; (g) To purchase, take on lease or in exchange, hire or otherwise acquire, any personal property and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any machinery, plant, stock-in-trade; (h) To lend money to customers and others having dealings with the company and to guarantee the performance of contracts by any such persons, firms, companies or corporations; (i) To draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, bills of lading, warrants, and other negotiable or transferable instruments; (j) To sell or dispose of the undertaking of the company or any part thereof, or any of the assets, for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of the company; (k) To purchase or otherwise acquire, hold, sell, or otherwise dispose of shares of the capital stock or bonds, debentures or other securities of any other corporation; (l) To invest and deal with the moneys of the company not immediately required in such manner as may from time to time be determined; (m) To consolidate or amalgamate with any other company having objects altogether or in part similar to those of the company; (n) To construct, alter, maintain, manage and otherwise deal with any buildings or works necessary or convenient for the purposes of the company; (o) To do any and all acts and things tending to increase the value of any of the property at any time held or controlled by this company; (p) To distribute in specie or otherwise, as may be determined, any of the property of the company among its shareholders, and particularly the shares, bonds, debentures or other securities of any other company that may acquire the whole or any part of the assets or liabilities of the company; (q) To sell, improve, manage, develop, exchange, lease, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the company; (r) To do all and everything necessary for, incidental or conducive to the attainment of any one or more of the above objects or which shall at any time be necessary for or incidental to the protection or benefit of the company; (s) The objects specified in each paragraph hereof shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Gale Manufacturing Company, Limited," with a capital stock of one hundred and thirty thousand dollars, divided into 1,300 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 3rd day of January, 1917.

THOMAS MULVEY,
Under-Secretary of State.

STEVENS-AYLSWORTH COMPANY, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 5th day of January, 1917, incorporating William Gilchrist, law clerk, Richard Dalton Moore Walter, student-at-law, James Stewart, accountant, Gertrude Elizabeth Hancock, bookkeeper, and Hamilton James Stuart, barrister-at-law, all of the city of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To manufacture, construct, convert, repair, rent, let, for hire, import, export, operate, buy, sell, acquire, dispose of and otherwise traffic, deal and trade in and with mechanical, electrical, chemical or other appliances, apparatus, equipment, supplies, machinery, instruments and tools of all kinds used in construction, manufacturing, academic or other kinds of work and particularly but not so as to limit the generality of the foregoing steel and iron, construction materials, pipe and fittings, castings and heavy hardware of all kinds and all raw materials and other things used in and for the manufacture or construction of the foregoing and accessories therefor and all articles which enter into the manufacture or construction of all the foregoing and all products and by-products thereof and generally to carry on the business of a dealer in goods, wares and merchandise; to act as and to carry on the business of mechanical, electrical, chemical, designing and consulting engineers, and to carry on the business of general contractors for construction, alteration, improving and removal of factories, buildings, structures, plants, equipment and works of all kinds and to enter into contracts for, construct, execute, own and carry on all descriptions of work, and to carry on for the purposes aforesaid the business of a general construction company and contractor for the construction of public and private works; (b) To purchase or otherwise acquire and undertake and assume all or any part of the assets, capital business, property, privileges, contracts, rights, obligations, and liabilities of any person, firm or company carrying on any business which this company is authorized to carry on or any business similar thereto, or possessed of property suitable for the purposes of this company's business, and to issue in payment or part payment for any such property, rights or privileges acquired by the company or for any guarantee of the company's bonds, or with the approval of the shareholders for services rendered, shares of the copany's capital stock, whether subscribed for or not as fully paid-up and non-assessable, or the company's bonds; (c) To apply for, obtain, register, purchase, lease, take over or otherwise acquire and to hold, use, own, operate and maintain and to sell, assign or otherwise dispose of any trade-marks, trade-names, brevets d'invention, concessions, licenses, patents or applications for patents, improvements, methods, formulae, secrets or other information, processes, industrial designs or copyrights secured under the law of the Dominion of Canada or elsewhere, and subject to royalty or otherwise; and to acquire, use, exercise, develop, sell or grant licenses and leases in respect thereof, or otherwise turn to account such property as aforesaid; (d) To enter into partnership or into any arrangements for sharing profits, union of interests, co-operation with any person or persons, or company or companies carrying on or about to carry on any business or transaction which may be of profit to this company; (e) To take or otherwise acquire, hold, own, buy, sell or otherwise dispose of shares in the capital stock of, and the bonds, evidences or indebtedness, obligations, or other securities of any company having objects altogether or in part similar to those of this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company or possessed of property, rights or franchises capable of being used so as directly or indirectly to benefit this company or enhance the value of its undertaking, notwithstanding the provisions of section 44 of The Companies Act, and to guarantee the payment of dividends on any such stock, and the payment of the principal and interest of any such bonds, obligations or other securities and to aid in any manner any such company; (f) To apply for, obtain, purchase or acquire by assignment, transfer or otherwise, and to exercise, carry out and enjoy any statute, ordinance, order, license, power, authority, franchise, concession, right or privilege which any government or authorities supreme, municipal, or local, or any corporation or other public body may be empowered to enact, make, or grant and to pay for, aid in and contribute towards carrying the same into effect and to appropriate any of the company's stock, bonds and assets to defray the necessary costs, charges and expenses thereof; (g) To promote any company or companies for the purpose of acquiring or taking over all or any of the property and liabilities of the company, or for any other purpose which may seem directly or indirectly calculated to benefit the company; (h) To acquire by purchase, lease, hire or otherwise all property, real or personal, that may be deemed necessary for the proper carrying on of the company's business and to hold, own and operate the same, and to sell, lease, dispose of or otherwise turn the same to account, and to erect such buildings, factories and works as may be deemed advantageous for the purpose of the company; (i) To construct, improve, maintain, work, manage, carry out or control any roads, ways, branches or sidings, bridges, reservoirs, water-courses, wharves, manufactories, warehouses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests, and to contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying on or control thereof; (j) To raise and assist in raising money for and to aid by way of bonus, promise, endorsement, guarantee or otherwise any corporation in the capital stock of which the company holds shares, or with which it may have business relations, and to act as employee, agent or manager of any such corporation, and to guarantee the performance of contracts by any such corporation or by any person or persons with which the company may have business relations; (k) To distribute in specie or otherwise as may be determined, any assets of the company among its members and particularly the shares, bonds and other securities of any other company owned by this company; (l) To procure the company to be registered and recognized in any foreign country and to designate persons therein according to the laws of such foreign country, to represent this company and to accept service for and on behalf of this company of any process or suit; (m) To amalgamate with any other company having objects similar in whole or in part to those of this company; (n) To draw, make, endorse, accept, execute and issue promissory notes, bills of exchange and other negotiable and transferable instruments; (o) To do all or any of the above things as principals, agents, contractors or otherwise and by or through trustees, agents or otherwise, either alone or in conjunction with others; (p) To pay out of the funds of the company all costs, charges and expenses preliminary and incidental to the formation, incorporation and organization of the company; (q) To do all such other things as are incidental or conducive to the attainment of the above objects and to carry on any other business, whether manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with its business or objects, or calculated directly or indirectly to enhance or render profitable any of the company's property or rights; (r) Any powers granted in any paragraph hereof shall not be limited or restricted by reference to or inference from the terms of any other paragraph. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Stevens-Aylsworth Company, Limited," with a capital stock of ten thousand dollars, divided into 100 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 10th day of January, 1917.

THOMAS MULVEY,
Under-Secretary of State.

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BUSINESS OF GENERAL TRUST SHOWS GROWTH

An Increase of Over $5,000,000 in Assets Under Administration.

A DECLINE IN PROFITS

Net Earnings Were Still Nearly 21½ Per Cent. on the Capital—An Increase Noted in Proportion of Liquid Assets.

A continued and very satisfactory enlargement of the business of the Toronto General Trusts Corporation is indicated by the financial statement for the year ending December 31, which shows total assets under administration amounting to $77,180,513, as compared with $71,869,470 in 1915, and $67,441,090 at the end of 1914. There has been a considerable decrease in profits for which the abnormal conditions prevailing are no doubt responsible. At the same time it may be pointed out that the net at $321,382 is 21.42 per cent. on the capital in comparison with a 10 per cent. dividend paid. The following comparative figures cover the company's record since 1906:—

RECORD.

Year.	Net Profits.	% on Cap.	Div.	Stock High	Stock Low
1916	$321,382	21.42	10	212	205½
1915	345,456	23.03	10	204	189
1914	324,381	21.62	10	204	189
1913	299,016	22.16	10	200	183
1912	233,915	21.09	10	203½	178
1911	198,392	19.83	8	180	171
1910	178,074	17.80	8	175	167½
1909	162,353	16.24	8	165	150
1908	131,181	13.12	7½	145	143
1907	125,127	13.58	7½	150	140
1906	150,428	15.04	7½	160	150

The company paid dividends of $150,000, appropriated $15,500 for patriotic funds, set aside $12,000 for business profits war tax, wrote $25,000 off the head office building and transferred $100,000 to reserve, leaving a balance to be carried forward of $98,557, including $77,674 brought down from the previous year. The report to the shareholders points out that the new business in the way of executorships, administrations, trust and investment agencies, etc., taken over by the Corporation during the year amounts to $10,075,979. Following is a comparative summary of the company's business:—

BUSINESS OF TORONTO GENERAL TRUSTS.

	Capital Account	Agency and Guaranteed Account	Estate, Trusts, etc.
1916	$3,523,026	$8,965,168	$64,692,318
1915	3,413,812	9,715,345	58,740,311
1914	3,251,487	9,539,321	54,630,291
1913	3,093,266	8,785,637	51,176,929
1912	2,480,389	26,222,938	25,149,236
1911	1,804,591	23,192,571	20,089,496
1910	1,705,783	21,009,412	21,009,412

Recent quotations indicate a market value of the company's stock of 211. This compares with a high of 212 and a low of 205½ during 1916. When these figures are compared with the high of 204 and the low of 189 in 1915, it will be seen that the public opinion of this security has considerably improved.

A comparison of the figures in the balance sheet shows increases in various assets indicating a continuation of the policy of developing the holdings of liquid assets. This is particularly noticeable with regard to original assets which include real estate, mortgages, debentures, stocks and bonds at investory value. The amount at the end of the year was $41,335,418 which compares with $36,361,175 at the end of 1915. Capital account increased from $3,413,000 to $3,522,000.

U. S. STEEL OUTPUT.

Capacity Was Increased 4,200,000 Tons During 1916.

According to the *"Iron Age,"* new construction in 1916 resulted in the completion of 103 open-hearth furnaces having a total capacity of 4,205,000 tons. The independent companies built 94 of these furnaces, with an annual output of 3,540,000 tons, while the United States Steel Corporation built 9 open-hearth furnaces having an annual production of 665,000 tons, of which 240,000 tons are due to duplexing operations. At the beginning of this year there were under construction 72 open-hearth furnaces having an annual capacity of 4,515,000 tons. Independent steel companies are building 61 of these furnaces, with an output of 3,395,000 tons, and the United States Steel Corporation 11 furnaces, with an output of 1,120,000 tons. In the furnace now under construction duplexing equipment is being installed in plants of the Bethlehem Steel Company and the United States Steel Corporation. Thus by the end of 1917 there will have been added 8,720,000 tons to the steel-making capacity of American mills. As the output of steel in the year just closed is estimated to have totaled 41,000,000 tons, in addition to the 8,720,000 tons just completed or building means that the industry by the end of 1917 will have a capacity for close to 50,000,000 tons a year.

TO COMPLETE IRRIGATION MEDICINE HAT LANDS

Combined Interests to Ask Treasury for Permission to Raise More Capital.

A despatch from London states that application will be made to the Treasury for permission to raise capital necessary to complete the irrigation of 500,000 acres of land in the Medicine Hat district, owned by the Southern Alberta Land Company, Canadian Wheatlands, Ltd., and the Alberta Land Company. Sir William Plender is receiver for the Southern Alberta Land Company and among others assisting in the new effort are mentioned Sir Frank Grist, Sir Robert Nivision and A. J. McMillan, who spent several months in Ottawa last summer negotiating with the Canadian Government respecting these interests.

The development of land in this territory involves an expensive irrigation scheme requiring a large amount of capital. Over $5,000,000 has already been spent in construction operations, but the war prevented the raising of additional money to complete the irrigation canal system. Since the outbreak of the war efforts have been made to have the Government take over the project or to interest the Canadian Pacific Railway in the scheme in the hope that the big transportation company might go forward with the work along the same lines as its own project in the same part of the country. However, with the recent improvement in the financial situation, it is evident that an effort will be made to secure capital in England and the present plan is to raise an additional £1,000,000 if the consent of the Treasury can be secured.

Alberta Land Company.

The report of the Alberta Land Company for eleven months ending March 31, 1916, was recently made public with the explanation that the accounts had been made up one month earlier in order to facilitate assessments for income tax purposes. Considerable profit was shown in the construction department, but the land business had remained dormant. Further development of the fishing industry at Freeport had been held up pending settlement of the dispute between the Dominion and Provincial Governments as to the respective rights in the matter of the Pacific Coast fisheries. However, steps are being taken to interest fresh capital in the project in the hope of an early settlement permitting further development of the property.

As the result of war conditions, it is explained that it has been deemed necessary to write down the value of certain of the shares held by the company, particularly those of the Western Wheatland & Timber Company, and the Skeena River Fisheries Company. It is pointed out that owing to the demand for economy, the Government is proceeding slowly with the harbor work, but on the other hand, there is favorable news from Port Arthur, where a great proportion of the company's property is situated and where much industrial activity is becoming evident.

COAL PRODUCTION.

Mine Activity Not So Great in 1916 But Shipments Larger.

While the production of anthracite in 1916, as estimated by the Anthracite Bureau of Information, shows a slight decline as compared with the preceding year, the total quantity sold and delivered to the consumers was actually more than 10 per cent. in excess of 1915. In this connection it is explained that the winter of 1914-15 was exceedingly mild and, with the depression due to the European war, the market for the greater part of the year refused to absorb the production which was maintained at a normal rate, with the result that the surplus was sent to the storage houses. Thus the year 1916 opened with an unusual quantity of coal on hand estimated at from 6,000,000 to 8,000,000 tons.

BIG INCREASE IN PROFITS OF B.-H. PAINT CO.

Net Earnings of $223,575, Compared with $175,688 in 1915.

THREE PER CENT. ON COMMON

Directors Decide to Declare a Dividend—Available for Distribution on the $970,000 Outstanding Amounted to 13.8 Per Cent.

The declaration of a 3 per cent. dividend on the common stock of Brandram Henderson is amply justified by the successful operation for the year ending November 30th, 1916, as indicated in the annual statement sent to shareholders this week. Outstanding is the fact that net profits reached a total of $223,575 compared with $175,688 at the end of 1915 and $130,476 in the 1914 period. This not only indicates a marked improvement in the volume of business done by Canadian paint companies but is also an evidence that the manufacturers have been able to reap substantial benefits on the rising market. The directors report that the sales of the company during the year were much greater than during any previous fiscal year and that practically every division and department of the company contributed to this result; export sales and western business were particularly conspicuous.

After the payment of bond interest, and preferred dividends and providing for depreciation and sinking fund, together with a generous allowance on office building and $6.00 for war tax, the surplus amounted to $134,391 making a total surplus of $349,465. The year's surplus of $134,391 represented 13.8 per cent. on the common stock outstanding as compared with the 3 per cent. dividend declared. The total surplus was 36 per cent. on the common stock.

PROFIT AND LOSS RECORD

	1916.	1915.	1914.
Net profit	$223,575	$175,688	$130,476
Bond Interest ...	24,239	25,343	30,429
	$199,336	$150,345	$100,047
Pref. divdiends..	29,634	24,500	24,500
	$169,692	$125,845	$ 75,547
Accum. dividends	......	......	......
	......	......	......
Depreciation	7,500	7,500	7,500
	$162,192	$118,345	$ 68,047
Sinking fund ...	15,300	14,600	14,200
	$146,892	$103,745	$ 53,847
War donation ...	......	6,050	3,482
	......	$ 97,695	$ 50,365
General interest .	......	......	21,885
	......	......	$ 28,440
Office Bldg.	6,501	......	......
	$140,391	......	......
War tax	6,000	......	......
	$134,391	......	......
Directors' fees ..	......	......	......
Surplus	$134,391	$ 97,696	$ 28,480
Previous	215,064	117,368	88,889
Total surplus..	$349,465	$215,064	$117,368

The remarkable improvement in the company's showing during the past few years may be better appreciated when it is pointed out that at the beginning of 1913, although there was a surplus of $70,000, there were at that time unpaid preferred dividends of over $53,000. These have since been wiped out and the large surplus now shown has since accumulated.

The Balance Sheet.

The balance sheet does not reveal any radical change in the company's position, although during the year $150,000 of preferred stock which was in the treasury was sold at what the board described at a favorable price. Loans from the bank stood at $118,587 as compared with $220,000 in the previous report. However, a special loan from the bank of $46,500 was evidently wiped out by utilising the funds from the stock sale. Bills payable were reduced from $66,187 to $42,076, but accounts payable increased from $86,546 to $95,924. A rather extended trade position was still indicated from the large amount of accounts receivable, which stood at $48,282 as compared with $412,610 a year ago and $157,473 in the 1914 statement. Merchandise account at $452,470 compared with $370,386.

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